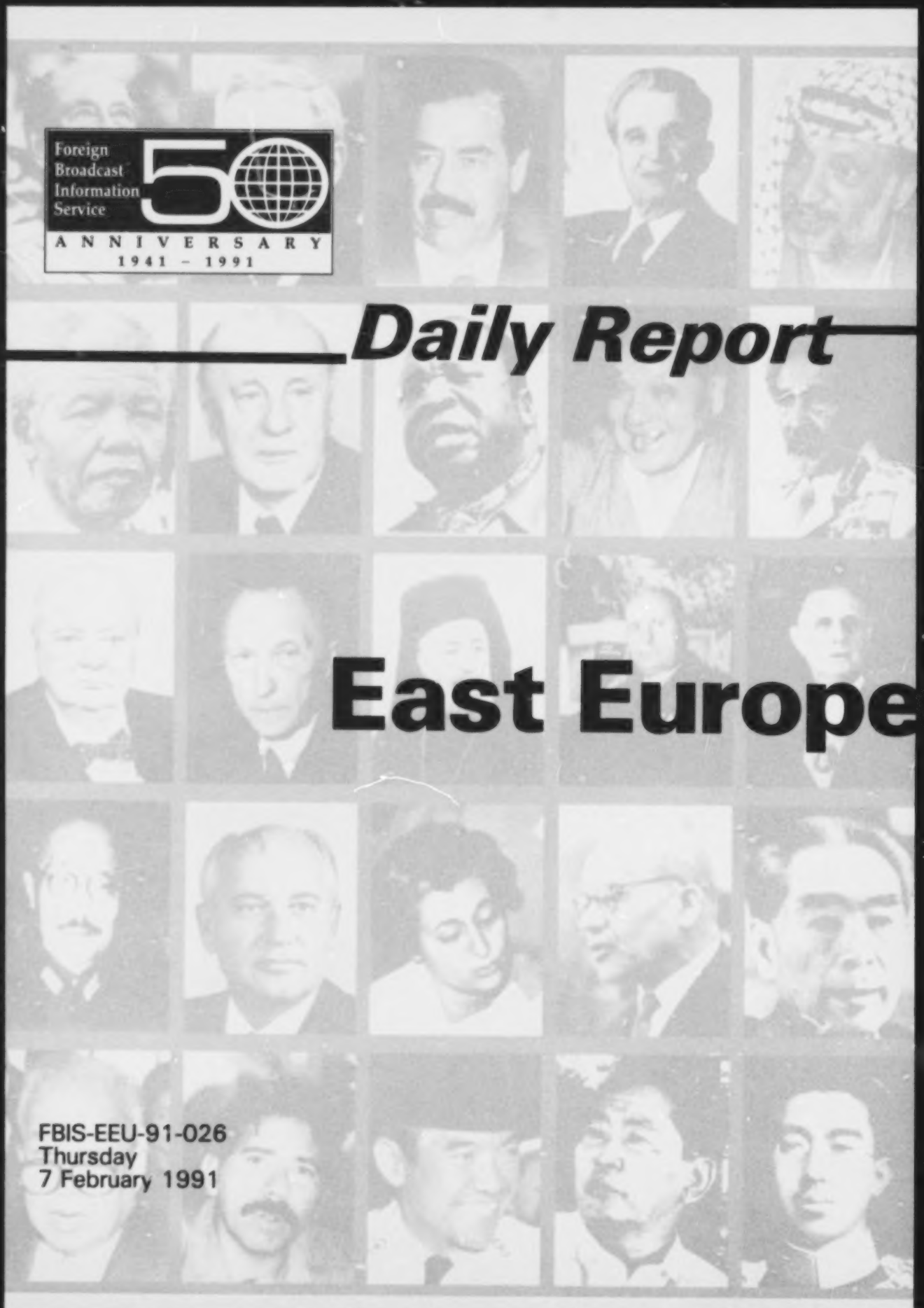

Daily Report

East Europe

FBIS-EEU-91-026
Thursday
7 February 1991

Daily Report
East Europe

FBIS-EEU-91-026 *7 February 1991*

CONTENTS

NOTICE TO READERS: * indicates material not disseminated in electronic form.

BULGARIA

Defense Minister on Gulf, Warsaw Pact, NATO *[VECHERNI NOVINI 30 Jan]* 1
Zhelev Receives European Council Delegation *[Sofia Radio]* 2
Meetings Discussed *[BTA]* 2
Prime Minister Comments on Davos Economic Forum *[BTA]* 2
800 Workers on Strike in Soviet Union *[BTA]* 3
Pro-Soviet Rally Reported in Sofia *[DUMA 3 Feb]* 3
Foreign Companies Apply for TV Air Time *[BTA]* 3
Government Frees Foreign Currency Dealings *[DUMA 4 Feb]* 4
National Assembly Debates 1991 Draft Budget *[BTA]* 5
Finance Minister Comments *[Kostov in OTECHESTVEN VESTNIK 29 Jan]* 5
'Industry Circle' Established in Legislature *[DUMA 3 Feb]* 6
Informed Circles Forecast Consumer Price Rises *[DUMA 4 Feb]* 6
Commercial Banks' Interest Rate: 45 Percent *[BTA]* 7
Power Cuts Announced, Kozloduy To Be Reloaded *[Sofia Radio]* 7
Sliven, Mikhaylovgrad Announce Bread Shortages *[OTECHESTVEN VESTNIK 29 Jan]* 8
Vratsa, Mikhaylovgrad Face Water Shortage *[DUMA 3 Feb]* 8
Need for 'Understanding, Cooperation' Stressed *[Stoev in DEMOKRATSIYA 31 Jan]* 8
National Assembly Adopts Land Bill on 1st Reading *[DUMA 2 Feb]* 9
Minister Pavlov on Lukanov's 'Irresponsibility' *[DEMOKRATSIYA 25 Jan]* 9
Zhivkov Summoned as Witness in Ovcharov Trial *[BTA]* 10
Defense Ministry Announces Planned Army Reforms *[DUMA 31 Jan]* 10
Defense Minister Meets Stara Zagora Officers *[Sofia Radio]* 10

CZECHOSLOVAKIA

Bulgarian President Ends Visit; Talks Reviewed *[Bratislava Radio]* 11
'Middle East Dialogue' Group Holds Meeting *[CTK]* 11
Pakistani Terrorist Apprehended at Ruzyne Airport *[SVOBODNE SLOVO 30 Jan]* 11
Communist Paper Views Troops in Saudi Arabia *[Rusko in Bratislava PRAVDA 5 Feb]* 11
USSR Troop Withdrawals Total 59,519 *[CTK]* 12
KGB To Leave Embassy; StB Back in Service *[VEREJNOST 2 Feb]* 12
Closer Intelligence Service Supervision Proposed *[CTK]* 12
Havel Informed of Dissatisfaction in Army *[LIDOVA DEMOKRACIE 26 Jan]* 13
Havel Discusses Police With Czech Delegation *[Prague Radio]* 14
Rychetsky on Law on State of Emergency *[SVOBODNE SLOVO 2 Feb]* 14
Analytical Study Rejects State of Emergency Bill *[Bratislava PRAVDA 30 Jan]* 14
Communist Party Rejects Privatization Bill *[Prague Radio]* 15
Communist Party Official Criticizes Government *[Prague Radio]* 15
Party Advocates Separate Moravian Republic *[LIDOVA DEMOKRACIE 26 Jan]* 15
Former Interior Minister Released From Custody *[Prague Radio]* 16
Effect of Price Liberalization on Food Prices *[HOSPODARSKE NOVINY 30 Jan]* 16
Fourfold Increase in Public Transport Fares *[HOSPODARSKE NOVINY 31 Jan]* 17
New Council To Help Refugees, New Settlers *[CTK]* 17
Efforts To Undermine OF Unity Scored *[ZEMEDELSKE NOVINY 2 Feb]* 17
Results of Second-Round Local Elections Reported *[SVOBODNE SLOVO 31 Jan]* 18
Pithart on Constitutions, Independent Slovakia *[NARODNA OBRODA 2 Feb]* 18
Federal Ministry Facilitates Meciar Visit to Bonn *[CTK]* 18
Meciar Interviewed on Visit *[NARODNA OBRODA 4 Feb]* 19
Magyar Weekly in Slovakia Becomes Daily *[Budapest Radio]* 19
New Gypsy Movement Holds Constituent Congress *[CTK]* 19

HUNGARY

Government Offices Discuss SFRY Arms Deals *[MTI]* 20
Joint Committee Formed for Soviet Troop Pullout *[MTI]* 20
Assembly Speaker Meets Mongolian Counterpart *[MTI]* 20
CPSU Official on Change to Market Economy *[Budapest Radio]* 21
Subsidy for Minorities Approved, Aid Discussed *[MTI]* 21
* Parliamentary Committee Report Accepted *[NEPSZABADSAG 22 Jan]* 21
1990 Foreign Trade Figures Provided *[MTI]* 21

POLAND

Ministry To Expedite Transfer of German Convoy *[Warsaw Radio]* 25
Spokesman Comments on Convoy *[POLSKA ZBROJNA 4 Feb]* 25
Germans 'Ignorant' of Facts on Soviet Convoys *[POLSKA ZBROJNA 4 Feb]* 25
Council of Europe Membership Discussed in Warsaw *[PAP]* 25
Problems of Minority Community in Lithuania *[PAP]* 26
Walesa Says Free Lithuania in Europe's Interest *[PAP]* 26
Reportage on Walesa, Delegation Visit to Italy *[cross-reference]* 26
Reportage on Bielecki Visit to Switzerland *[cross-reference]* 26
Official Queried on Destruction of Security Files *[ZYCIE WARSZAWY 4 Feb]* 26
Senate Official Queried on Defense Budget *[POLSKA ZBROJNA 4 Feb]* 28
Bielecki Chairs Council of Ministers Session *[PAP]* 29
PAP Continues To Reform, Modernize *[PAP]* 30
More Newspapers, Press Titles Sold *[RZECZPOSPOLITA 2-3 Feb]* 30

ROMANIA

Dismantlement of Warsaw Pact Favored *[ROMPRES]* 31
Defense Council Examines Effects of Gulf Conflict *[ROMPRES]* 31
Economic Losses Detailed *[Bucharest Radio]* 31
* Tokes Condemns Romanian, Hungarian Extremists *[ADEVARUL 15 Dec]* 32
UVR on Cut in Hungarian TV Broadcast Time *[ROMPRES]* 34
Senate Discusses Controversial Points of Land Law *[ROMPRES]* 34
* New Law on Gendarme Force Advocated *[DIMINEATA 4 Jan]* 34
Government Takes Measures for 'Rational' Fuel Use *[ROMPRES]* 35
'Acute Energy Crisis' Described *[ROMPRES]* 35
Government Blamed for Economic, Social Situation *[ROMPRES]* 36

YUGOSLAVIA

Loncar: No Insistence on Gulf Cease-Fire *[TANJUG]* 37
Drnovsek Says 'Essential Problems' Remain Open *[DELO 31 Jan]* 37
Admiral Brovet on Army Role in Present Situation *[Belgrade Radio]* 37
Assembly Discusses Illegal Croatian Units, Arms *[Belgrade Radio]* 38
Presidency Session Commends Army's Performance *[TANJUG]* 39
EC Appeals for 'Peaceful' Way Out of Crisis *[TANJUG]* 39
Tudjman Deems Austria Trip 'Very Successful' *[BORBA 1 Feb]* 40
Hungary Admits Selling Arms to Croatia 'Mistake' *[TANJUG]* 40
Vojvodina Hungarians Disavow Arms Sale Link *[TANJUG]* 40
Croatian, Albanian Connection Seen in Crisis *[BORBA 31 Jan]* 40
Defense Secretariat Reports on Illegal Weapons *[TANJUG]* 41
Spegelj Certain Army Will not Intervene *[TANJUG]* 41
Information Minister on Possible Secession *[TANJUG]* 42
Croatian TV Interviews Protagonist in Army Film *[VJESNIK 3 Feb]* 42
Expert Denies Editing Role *[BORBA 31 Jan]* 43
Spegelj Speculates on Film's Origin *[BORBA 31 Jan]* 43
Kucan Comments on Federal Presidency Session *[BORBA 2-3 Feb]* 44
Peterle Urges Baker To Intercede in Crisis *[Zagreb Radio]* 44
Slovenia, Croatia Implicated in Document Leak *[POLITIKA 3 Feb]* 44
Situation in Eastern Hercegovina Deemed Tense *[Belgrade Radio]* 45
Macedonian-Slovene Talks Reveal Close Views *[Belgrade Radio]* 45
Izetbegovic Set for Bosnia-Hercegovina Referendum *[POLITIKA 31 Jan]* 46

Defense Minister on Gulf, Warsaw Pact, NATO

AU0502163091 Sofia VECHERNI NOVINI in Bulgarian 30 Jan 91 pp 1, 3

[Interview with National Defense Minister Colonel General Ivan Mutafchiev by Neyka Krusteva; place and date not given: "Behind the Bulgarian Army's Parade Formation"]

[Excerpts] [Krusteva] Mr. Minister, as Bulgaria's top military official, you are presumably observing the development of the Persian Gulf crisis with particular interest.

[Mutafchiev] Naturally, this event that concerns everyone particularly affects us, the military personnel.

[Krusteva] We are witnessing an abnormal war. So far, the soldiers from the multinational force have not met their enemies face to face.

[Mutafchiev] The current war is distinguished by certain characteristic features resulting from the aspiration of achieving the targets without unnecessary casualties. [passage omitted] Nevertheless, we do not have too much information on the current development of military operations.

[Krusteva] Does this apply even to you?

[Mutafchiev] Yes, indeed, and I think that the censorship is deliberately strict; however, even the restricted information available confirms our conviction that the weapons are effective. [passage omitted]

[Krusteva] Is our own Army capable of responding to the high requirements in the sphere of equipment and military tactics, to the new concepts of military art?

[Mutafchiev] Our Army is trained according to all the requirements of contemporary military art at the level of current military concepts. Our Army is well equipped. Our weapons are of high combat and technical qualities. I certainly do not claim that we are up to the most updated, top achievements of military science and technology, but this depends on our country's economic and financial possibilities. Good will and ambition alone are not sufficient.

[Krusteva] The war, for the time being, is far away from us, but it could suddenly come very close. I am talking about the possibility of Turkey becoming involved. The reports on our civil defense caused great concern among our population. What is the state of our national defense?

[Mutafchiev] In our opinion, there is no immediate danger for our national security. We are carefully observing the situation in Turkey, and we hope that our neighbor country will not get involved as long is it is not attacked. [passage omitted]

[Krusteva] Has the dismantling of our SS-23 missiles affected the country's defense capacity?

[Mutafchiev] The SS-23 missiles are a means through which we are striving to maintain the military balance in our area on the basis of their capacity and in consideration the arms directed against us. Therefore, I do not exclude the possibility that the aforementioned missiles might become an issue of future discussions. [passage omitted]

[Krusteva] From what I understood, the Bulgarian officers' claims for higher wages were rejected by the Ministry of the Defense.

[Mutafchiev] This is not exactly true. The question was about an amendment to the Law on Pensions for Military Personnel who up to the age of 60 are not entitled to work anywhere else except in the agricultural sector. There has been no discussion about officers' wages in the Council of Ministers. This issue can be discussed only after the ministry's budget has been approved. [passage omitted]

[Krusteva] How far has the conflict with the "Rakovski" Officers Legion escalated?

[Mutafchiev] There has never been a conflict between the Legion and the Ministry of Defense. The Legion is in charge of protecting the officers' interests, hence certain contradictions are likely to emerge, which is natural. Our goals basically coincide and we have no essential differences. [passage omitted]

[Krusteva] What do you think about the future of the Warsaw Pact and about our orientation toward a strong ally? Where should we look for guarantees safeguarding our own security outside our country—in alliance with the Soviet Union, or with NATO?

[Mutafchiev] Our national security has so far been guaranteed within the framework of the Warsaw Pact; however, things have changed. It is no secret that the military structures of the pact will cease to exist by the middle of 1991. Hence, we can no more rely on guarantees for our security within the framework of the Warsaw Pact; however, should we only rely upon one strong ally? I think the most reliable guarantee in this respect is provided by the decisions of the CSCE Paris meeting held from 19 through 21 November 1990. On the basis of these decisions we should contribute and participate in the construction of a collective security system in Europe. On the other hand, we should attach greater importance to the development of bilateral relations with our neighbors, and we duly appreciate this fact. Confrontation with the aforementioned countries, regardless of the question of whether or not they are NATO members would not benefit any of them.

[Krusteva] A trend of re-orientation toward NATO exists in our country. There is even a club of "NATO friends."

[Mutafchiev] Yes, this is true. The people in question are preparing a proposal that Bulgaria should apply for NATO membership. I do not know whether it has already been submitted to the Grand National Assembly; however, I know that NATO has no intention of expanding its membership, let alone admitting any

Eastern European countries. Whether this is necessary for our country, at all, is another question. I am personally convinced that our security cannot be guaranteed by passing from one military bloc to another, but through the forms of European security I already mentioned.

[Krusteva] This is a matter of the future. Nevertheless, if, God forbid, something should happen today, upon whom can we rely?

[Mutafchiev] We should rely on our own skillful and flexible foreign policy, on our own strength and possibilities. In addition to this, we have bilateral treaties with certain countries, the Soviet Union included. These countries have certain commitments toward us in case of emergency.

We recently adopted a few steps for improving our mutual relations with neighboring countries. Generally speaking, they are part of the guarantees.

Zhelev Receives European Council Delegation

AU0602210091 Sofia Domestic Service in Bulgarian 2000 GMT 6 Feb 91

[Text] On 6 February at the Boyana residence, Dr. Zhelyu Zhelev, chairman of the Republic, received a delegation of the Council of Europe led by its general secretary Mrs. Catherine Lalumiere, and Spanish Foreign Affairs Minister Mr. Francisco Fernandez-Ordonez.

Dr. Zhelev briefed the guests on the situation in our country and on the development of the democratic process in Bulgaria. The chairman of the Republic stated that now the hopes of all Bulgarians are vested in the government and in the success of the economic success—a factor on which the success of democracy depends to a large degree.

Stressing that Bulgaria's image in Europe has improved, Mr. Fernandez-Ordonez stressed that a consensus exists on accelerating Bulgaria's admission to the Council of Europe. He and Mrs. Lalumiere stressed that now is the moment when the process of the integration of the former socialist countries in all European structures must be accelerated.

Before the meeting with the president, the highranking representatives of the Council of Europe had talks with Prime Minister Dimitur Popov and Minister of Foreign Affairs Viktor Vulkov.

Meetings Discussed

AU0602213491 Sofia BTA in English 2107 GMT 6 Feb 91

[Text] Sofia, February 6 (BTA)—Spain's foreign minister Francisco Fernandez-Ordonez, president of the Committee of Ministers at the Council of Europe, and Mrs. Catherine Lalumiere, secretary general of the Council of Europe, arrived here today.

They stated their aim was to witness the evolution of this country's political life and discuss the possibilities for cooperation between Bulgaria and the Council of Europe. According to Mrs. Catherine Lalumiere this cooperation has developed quite well, and the dynamic plan for 1991 is an extremely favourable basis for its activation. She is satisfied with the contacts she had in Strasbourg with the Bulgarian representatives who are well- acquainted with all the problems and wish to continue their work.

The visit of Mr. Francisco Fernandez-Ordonez and Mrs. Catherine Lalumiere is part of their tour of the Central and East European states which have applied for membership in the Council of Europe.

Today they had talks with the Foreign Affairs Minister Mr. Viktor Vulkov. The Council of Europe's favourable attitude towards Bulgaria was confirmed, as well as Bulgaria's readiness to fulfill all its commitments related to its admission to the council. Mrs. Catherine Lalumiere stated that Bulgaria's application was met with sympathy and it will be considered at the next session of the Committee of Ministers.

Tonight Mr. Francisco Fernandez-Ordonez and Mrs. Catherine Lalumiere were received by Prime Minister Dimitur Popov who reconfirmed Bulgaria's wish to become a member of the Council of Europe. He believes this will stimulate the relations of the other European institutions with Bulgaria.

Mr. Popov asked the Council of Europe for assistance so that the eventual financial aid for Bulgaria could be rendered the soonest possible in view of the difficult economic situation in this country.

Mr. Francisco Fernandez-Ordonez announced that at the latest meeting of the Council of Europe's Committee of Ministers it was decided to grant Bulgaria and Romania financial aid amounting to 100 million ECU [European Currency Units].

Mrs. Catherine Lalumiere stressed the positive effect of President Zhelyu Zhelev's visit to Strasbourg. It was pointed out that despite the complicated situation in the Persian Gulf and the world-wide economic recession Bulgaria has not been forgotten and forsaken by the Western European institutions.

The economic course adopted by the Bulgarian Government was approved and assurance was given for assistance and financial aid.

Later on the guests were received by President, Dr. Zhelyu Zhelev.

Prime Minister Comments on Davos Economic Forum

AU0602191691 Sofia BTA in English 1857 GMT 6 Feb 91

[Text] Sofia, February 6 (BTA)—The world's interest in Bulgaria is growing, Prime Minister Dimitur Popov told a news conference, commenting on the results of the "summit" in Davos.

After his contacts with high-ranking world financists, with state and government officials from Cyprus, Belgium, Italy, Germany, the USSR, the United States, France and other countries, the Bulgarian premier is confident that a new road to the world is now open for Bulgaria.

According to Mr. Popov, Bulgaria is improving its unenviable image inherited from the totalitarian regime. It will certainly overcome the "information blackout" after the political forces, the government and the trade unions reached an agreement that serves as a basis for the first real steps in the transition to a market economy already noticed in Europe. Mr. Popov stressed his satisfaction with that fact that the culmination of the confrontation between the political forces has been overcome and national consensus has been achieved as to the conditions of the country's transition to democracy and a market economy.

After his 25 meetings and talks in the Swiss Alpine resort, Mr. Popov said his cabinet is in for a lot of hard work while negotiating more favourable terms and conditions for repaying Bulgaria's ten-billion debt and for economic cooperation. Bulgarian experts are going to visit Germany for this purpose. Mr. Popov said that important intergovernmental documents are to be signed in the near future that will open new prospects for bilateral economic cooperation with Switzerland, Belgium and Cyprus and some other countries.

Answering a question, the Bulgarian prime minister said the government is still considering the idea for a Black Sea economic zone, though he believes other Black Sea countries have some reservations about it. He expressed his conviction that Sofia should seek and take advantage of all opportunities for mutually beneficial cooperation.

The prime minister firmly believes that the recently liberalized prices will help establish a natural balance in the market within a month or two and advised the Bulgarians not to buy expensive goods. He confirmed the government's resolve to carry out consistent measures to curb the inflationary pressure and stabilize the state budget, encouraging at the same time the start of privatization in the near future through the country's legislation.

800 Workers on Strike in Soviet Union

AU0602212991 Sofia BTA in English 2053 GMT 6 Feb 91

[Text] Sofia, February 6 (BTA)—800 Bulgarian workers engaged in the timber industry in the Komi Soviet Republic are on strike, a trade union leader told a news conference today.

Mr. Nikolay Abadzhiev, chairman of the Trade Union of Woodsmen (affiliated to the Confederation of Independent Trade Unions in Bulgaria), appealed on the Bulgarian Government to take urgent measures for solving the social and the other problems of the strikers.

Pro-Soviet Rally Reported in Sofia

AU0702092991 Sofia DUMA in Bulgarian 3 Feb 91 p 2

[Velichko Gigoe report: "A Rally Calls for Democratic Development in the USSR"]

[Text] The crisis in our country can hardly be overcome without the development of mutually advantageous economic relations with the Soviet Union—this was one of the major issues mentioned in a declaration adopted at yesterday's rally organized by the Nationwide Movement for Civil Peace, Unity, and Law and Order. The rally was held in front of the Soviet Army monument in Liberty Park and proceeded under the slogan: "For Democracy and Democratic Development in the USSR."

All speakers stressed the traditional links existing between Bulgaria and the USSR, the relations of Slavonic brotherhood between the Bulgarian and Russian peoples. Assistant Professor Mincho Minchev made the following statement: "Twice in our history the Bulgarian bourgeoisie separated our people from Russia, and every time this happened our country lost some territory."

The conflict in the Baltic is an internal matter for the Soviet Union, and no one from the outside is entitled to interfere—this was the general opinion expressed at the rally. It was pointed out that only a strong and united Soviet Union is capable of guaranteeing European peace and the democratic processes in the Eastern European countries, which began as a result of perestroyka in the Soviet Union.

Foreign Companies Apply for TV Air Time

AU0602130091 Sofia BTA in English 1202 GMT 6 Feb 91

[Text] Sofia, February 6 (BTA)—U.S., British and German networks, among them the CNN, World Net and the Voice of America, have submitted applications for telecasting programmes to Bulgaria, the press says, citing a knowledgeable source from the Communications and Informatics Committee.

Mr. Atanas Popov, chairman of the committee, said that the committee would relay television and radio programmes experimentally, getting ready for the expected abolition of the state monopoly on broadcasting.

Mr. Popov told a press conference that 53 applications for private radio and television stations had already been submitted.

The first private radio station in Bulgaria, Channel Com in the city of Plovdiv, went on the air on FM at the end of 1990. The operation of this "commercial channel," which cooperated with Radio Luxembourg, were banned in mid-January under pain of confiscation of the equipment. The pioneer of private broadcasting in Bulgaria, Mr. Zhivko Zhelev, was fined.

It is still unknown when parliament will consider the bill eliminating the state monopoly on broadcasting.

Government Frees Foreign Currency Dealings

AU0602202191 Sofia DUMA in Bulgarian 4 Feb 91 pp 1, 2

[Dimitrana Aleksandrova report]

[Text] On 3 February the government decreed that all payments within the country must be made in Bulgarian leva. As of 1 April, the sale of goods and services for foreign currency will be prohibited, with the exception of sales in stores at airports, sea ports, and border crossing points.

Foreign currencies will be sold and purchased by the Bulgarian National Bank, the commercial banks, and persons licensed by the chairman of the Bulgarian National Bank. The requirements for obtaining a license will be published in DURZHAVEN VESTNIK.

The commercial banks and their clients will agree on the exchange rates for foreign currencies against the leva, will inform the Bulgarian National Bank of these rates daily, and on the following day will announce them to the public.

For the purposes of private foreign travel, once a year Bulgarians may purchase up to U.S. $50 or its equivalent in another currency.

The commercial banks will be free to sell foreign currency for payments to foreigners—for example, for courses of study or for medical treatment. Permits are required only in certain specific cases.

Foreign currency accounts may be opened without restriction, and the money may also be withdrawn from these accounts without restriction. Residents are obliged to transfer foreign currency receipts realized within Bulgaria within 30 days.

"We have stopped the dollarization of the Bulgarian economy," said Aleksandur Tomov, deputy chairman of the Council of Ministers.

Finance Minister Ivan Kostov described the decree adopted on amending foreign currency conditions as "a blow against the black market." He said there would be no demand for foreign currency, because the goods will be sold in leva. The minister acknowledged that the black market would not disappear, because the population will still use it to buy foreign currency for trips abroad. The people will not make many such trips, however, because they will not have the money for the foreign currency, predicted Mr. Kostov, and recalled that at the new prices a family of four will need 1,200 leva a month to cover food and transportation costs alone.

According to the finance minister, citizens in possession of dollars will prefer to pay them into the bank to earn interest. The interest rates will vary for different foreign currencies.

The government also adopted a scale for turnover tax and a table of excise duties. These will be submitted to the Grand National Assembly as an appendix to the draft law on the state budget, and will come into force as soon as the budget is approved.

The taxes and excise duties paid on locally produced and imported goods and services are of importance for the new retail prices, because the latter will be calculated to include the taxes and duties.

It is proposed to exempt the following from turnover tax: electricity, thermal energy, solid fuels, and city transportation; health, educational, and cultural services; and services connected with social assistance, charitable activities, and civil and religious rituals.

A turnover tax of 10 percent will be imposed on bread and bread products, milk and dairy products, vegetable oils, meat and some meat products, fish and fish products, fruit and vegetables, and children's and dietetic foods.

The same level of tax will be imposed on children's and baby goods, textbooks and exercise books for secondary schools, health and hygiene products, and various products for medical purposes.

All other goods will be subject to a turnover tax of 20 percent.

An excise duty of 60 percent is applied to special hard liquors, gold jewelry, tobacco products, and income from gambling and entertainment shows.

A duty of 50 percent is imposed on fruit brandies, leather clothing, and private cars and vans.

Wines, beers, coffee, imported tea, perfumes, audiovisual equipment, matches, and cigarette lighters are subject to an excise duty of 40 percent.

Duty will also be paid on liquid fuels. The rate for gasoline will be 50 percent of the retail price, and for diesel—30 percent.

The government adopted in principle a decree imposing export taxes on certain goods. The lists of goods will be specified later. It is proposed that the export tax, calculated according to the interbank foreign exchange rate, will be 25 percent of the lev equivalent of the foreign currency acquired from the export of nonfood products. In the case of food products, a higher rate will be applied, probably 35 percent. Aleksandur Tomov and Foreign Economic Relations Minister Atanas Paparizov announced this after the meeting.

The government also decided to prepare a further decree on temporary duties on imports. The IMF has proposed that the rate for these duties should be 15 percent. The customs duties on imports are very low, so we must find some way of protecting local producers, said Minister Paparizov.

The government examined the internal mechanisms for settlements under clearing agreements with the CEMA

member countries. The exchange rate of the transferable ruble was changed; it will be 3.50 leva. This is expected to stimulate companies' interest in increasing their exports and improving our trade balances with the CEMA countries.

At this session the Council of Ministers was unable to decide how to deal with the obligation of companies to sell the state part of their foreign currency earnings.

No decision was made on setting up a taxation commissariat, but the Ministry of Finance will undertake to train the required staff.

The meeting failed to finally adopt the much-discussed Order on Auctions for the Sale of State and Municipal Property.

However, the government did adopt a draft law on a new amendment to Decree No. 56 on Economic Activity, by which such properties must be sold by auction.

The Council of Ministers closed the "1,300 Years of Bulgaria" Fund, and established a new foundation for cultural purposes that will take over the fund's assets and liabilities.

National Assembly Debates 1991 Draft Budget

AU0602084591 Sofia BTA in English 2157 GMT 5 Feb 91

[Text] Sofia, February 5 (BTA)—Today parliament considered the 1991 national budget bill, presented last Friday by Finance Minister Ivan Kostov.

The Economic and Budget Committees have not yet taken a stand on the bill. In all their statements the MP's stressed that the budget bill should be passed because "there is no other way out." The government is running out of time, the signing of the agreement with the International Monetary Fund is scheduled for Friday. "I hope we will never again pass a budget in this way," Mr. Ventsislav Dimitrov of the Union of Democratic Forces (SDS) said. Mr. Dimitrov, who is a financial expert, added that the present budget bill does not suit the economic reforms. Other MP's also said that this is a budget of the transitional period.

The subject of the police files was brought up again in parliament, causing a heated debate. Mr. Georgi Markov of the SDS said that he had changed his mind and would not resign from parliament. Mr. Markov said he would prove wrong the insinuations of the Socialist daily "DUMA" that his resignation was prompted by the fear that his past as a police informer might be brought to light. Mr. Markov recalled that he had had problems in his career because of his "bourgeois family background."

Mr. Stefan Savov, leader of the Democratic Party, expressed his fears that the structures within the Ministry of the Interior which served the totalitarian regime had not been dismantled.

Most probably the police files scandal will erupt about February 20 when the Commission of Inquiry is to announce the results of its work.

Today parliament debated on first reading of an amendment to the law on the organization of law courts.

The budget bill will again be discussed at the parliamentary plenary sitting on Thursday.

Finance Minister Comments

AU0502190191 Sofia OTECHESTVEN VESTNIK in Bulgarian 29 Jan 91 pp 1, 2

[Commentary by Finance Minister Ivan Kostov on the Draft Law on the State Budget: "The High Compensations Will Prolong the Crisis"]

[Text] What are the basic principles and fundamental ideas of the draft law on the budget? One of them is to cut the real budget deficit by more than one-half, to 7.5 billion leva. Another important principle is that the budget does not rely on foreign aid. It is not planned to reduce the foreign deficit by means of foreign loans. We will not pay the interest due on the old loans but will assume the other debts that we have, said Minister Kostov.

The budget is a realistic one. We have provided for the development of the inflation processes and the rise in the population's income that is reasonable and ensues from the policy that the government intends to carry through. We have drawn up the budget with a view to how the economic processes will develop in the country, and not according to the static situation on 1 February 1991. Possibilities are provided for increasing both minimum and maximum wages and for compensating for the dynamic changes in the country's economy.

In the course of discussing the draft budget, the main disagreements arose in connection with the savings. Most of the objections came from the Ministry of National Defense and the Ministry of Internal Affairs. The Ministry of National Defense claims that the proportional amount spent on defense should be maintained, or only slightly reduced. The draft budget plans greater savings.

The Ministry of Internal Affairs called the ministry's budget "a budget of unreasonable insufficiency." We will look for additional reserves, but we cannot satisfy their present claims.

We will make considerable cuts in the budgets of the ministries and departments. Superfluous institutions will be closed down, while others will change over to become self-financing and self-supporting.

The only thing that makes me afraid at the moment is whether we will be able to guarantee the new pensions—it would be terrible to leave people to face these liberalized prices without incomes. On 7 February the pensions will have to be paid, and supplements possibly granted in addition. People must get through the month of February.

We also made concessions to the trade unions. Even my concept on the course of the reform was altered. For me, this is a burden that I should not have had to assume. By adopting high levels of compensation—and they are almost as high as "Podkrepa" proposed—we will impart an impetus to the inflationary boosting of prices that may put both the enterprises and the budget in a difficult position, as well as increasing unemployment. Our strategy is to start with a low level of compensation, watch how prices move, and then, if they do not rise very much, to balance the books for March. In this way, we would have been able to adjust prices and wages simultaneously. The trade unions found themselves unable to assume enough of their own responsibility for the reform.

If the shock is applied and the economy does contain, for the time being, the reserve we suspect, and if the population withstands the shock, in terms of prices, interest rates, and foreign currency, then this will greatly shorten the duration of the crisis.

'Industry Circle' Established in Legislature

AU0602163291 Sofia DUMA in Bulgarian
3 Feb 91 p 2

[Mitko Bozhkov report: "An 'Industry' Parliamentary Circle Has Appeared"]

[Text] Grand National Assembly deputies who are members of the "Industry" Circle are convinced that the laws related to the implementation of economic reforms should be discussed and passed on a priority basis in parliament. This is the chief goal of the group that rallies 31 National Assembly deputies from all parliamentary factions. Engineer Krustyu Stanilov from the Bulgarian Socialist Party [BSP] and engineer Stefan Radoslavov from the BSP were elected cochairmen of the circle, while engineer Georgi Dyuglerov [BSP] was elected secretary.

This business circle that has already adopted its own working program rallies deputies who are both trained and experienced in economic matters and who have their own views on the development of the economic spheres. This circumstance, to a certain extent, determines the interests of the parliamentarians in question who are eager to submit proposals on problems related to the economic reform in our country, especially regarding the industrial sector. They intend to establish and maintain relations with governmental and nongovernmental organizations in the country and abroad.

Deputy Tsezar Karafeizov, one of the "circle's" initiators stated as follows in this context: "The country's economy, and industry, as a basic branch in particular, should represent a homogeneous system under the conditions of economic pluralism in a democratic state ruled by the Law." This requires not only a legal, but also a professional economic approach in dealing with economic legislation and in drafting the relevant bills during the transition from a totalitarian to a liberal and social market economy," he added.

The discussions on structural policy in the industrial sector are expected with great interest. Meetings with leading bodies of the Industrialists Union, the Employers' Union, the Bulgarian Economic Chamber, the Union of Citizens' Economic Initiatives, the Federation of Scientific-Technical Societies, the Institute for Inventions and Innovations, the technical universities, and other such institutions are expected. The deputies will become acquainted with the situation in various departments of the economic ministries and check on their raw material supplies and on their production, learning about their concepts on privatization.

The "Industry" Circle will take legislative initiative on certain issues and is expected to draft papers reflecting its own expert opinions on certain bills that will be submitted to the Legislative Commission and to other parliamentary commissions.

Informed Circles Forecast Consumer Price Rises

AU0602182691 Sofia DUMA in Bulgarian
4 Feb 91 pp 1,2

[Text] DUMA has already informed its readers of the expected prices for certain essential goods, which have now been confirmed. According to the latest forecasts made by circles close to the government, the prices of certain goods will probably range within the following limits:

Food Goods

Different types of bread from wheat flour—2.60-5.40 leva; flaky pastry—3.80-12.40 leva per kg; cheese flans [banichki], 140 g—2,26 leva; "ponichki" pies—0.78 leva each; pasta made from eggs—5.30 leva per kg; beans and lentils—5.00-5.50 leva; pork—23-32 leva per kg; veal—25-34 leva; lamb—12 leva; offal—4.50-15 leva; delicatessen sausages—25-28 leva; salami—37-76 leva per kg; canned meats—4-11.20 leva; freshwater fish—4.50-12 leva; sea fish—3-8.40 leva; smoked and dried fish—8-9 leva; canned fish—1.40-2,80 leva per can; butter, 125 g pack—4-5 leva; olive oil—7.50 leva per liter; fresh milk—1.60-1.80 leva per liter; sour milk, 500 g—1,30-2.20 leva; white sheep's cheese—20 leva; soft cow's cheese—12.40 leva; hard yellow cheese—15-28 leva; sugar—4,50-4.80 leva; biscuits—1.05-2 leva per packet; tomatoes—4-7 leva per kg; cucumbers—2.50-11 leva; fresh vegetables (greens, carrots, zucchini, capsicums, onions, garlic, etc.)—2-9 leva per kg; pickled vegetables—1.50-3 leva per kg; fresh fruit—1.50-5 leva per kg; tropical fruit—3-13.50 leva; children's foods—1-1.50 leva per 190 g can; various kinds of baby food—4-7 leva per pack; coffee—45-90 leva; different spices—0.30-1.20 per packet; soft drinks—0.18-0.33 per 250-milliliter bottle; wines and vermouths—8.20-21 leva; fruit brandies—19-44 leva; vodkas, grape brandy, whisky—13-90 leva per bottle; beer—1-1.90 leva.

Fabrics, Clothing, and Footwear

Suitings—25-80 leva per meter; coat material—42-70 leva; cotton fabrics of various widths—3.50-40 leva per

meter; natural silks—55-90 leva; men's overcoats—250-350 leva; men's suits and jackets—185-450 leva; ladies' coats and overcoats—295-375 leva; ladies' suits and jackets—175-320 leva; dresses, cardigans, and skirts—73-345 leva; boys' and youths' suits and jackets—56-110 leva; suits and jackets for same—100-180 leva; girls' dresses, skirts, and pants—40-100 leva; babies' coats—80 leva; mens' raincoats, windbreakers, and jackets—115-235 leva; shirts—18-100 leva; ladies' raincoats, suits, and cotton jackets—70- 235 leva; jeans—200 leva; silk and artificial silk dresses, blouses, and shirts—105-560 leva; clothing from synthetic fibers, for ladies, men, children, and babies—39-285 leva; leather and fur clothing—300-7,600 leva; men's knitted pullovers and vests—50-140 leva; ladies' knitted pullovers, blouses, and vests—42-210 leva; men's and ladies stockings and pantyhose—3.50-18 leva; men's footwear and sneakers—47-224 leva; ladies' footwear, boots, and sandals—36-356 leva; children's footwear—20-42 leva; babies' footwear—13-20 leva.

Household Goods

Kitchen cupboard units—296-414 leva; upholstered suites for living rooms—6,156-10,498 leva; bedroom suites—9,100-12,376 leva; sets of furniture for children's rooms—7,572-11,964 leva; refrigerators—780-2,080 leva; automatic washing machines—2,500 leva; vacuum cleaners—430-790 leva; sewing machines—255- 900 leva; storage radiators—1,975 leva; electric and gas heating stoves and radiators—250-900 leva; cooking stoves—460-1,680 leva; electric water heaters—680-750 leva; enamelled saucepans, oven trays, frying pans, and kettles—23.90-74.20 leva; stainless steel cooking ware—31.60-100 leva; china coffee service—98 leva; dinner service—275 leva; 5-liter glass demijohn—30 leva; crystal service for brandy—600 leva; cutlery for six place settings—169 leva; food mixer—128 leva; electric coffee grinder—88 leva; electric fryers, saucepans, and toasters—50-145 leva; mattresses—60-160 leva; babies' mattresses—40 leva; woolen blankets—50-320 leva; rugs—40-1,200 leva per square meter; radio cassette players—1,630-1,800 leva; color televisions—3,000-3,500 leva; monochrome televisions—850-1,150 leva; cameras—70-600 leva; pianos—3,000-5,600 leva; baby carriages—369- 570 leva; children's toys—2-55 leva; sanitary ware—from 5.50 leva (soap dish) to 91 leva (washbasin); ceramic tiles—0.60-1.30 leva; wallpaper—4.43-20 leva for 5 square meters; bricks—710 leva per thousand; roof and ridge tiles—1,861 leva per thousand; parquet flooring—62.70 leva per square meter; timber doors, windows, etc.—191-234 leva.

Heating Materials

Coal—142-232 leva per tonne; wood—87 leva per cubic meter; naphtha—2.50 leva per liter; propane-butane gas—30.30 leva per 10-liter can.

Cars, Motor Cycles, Mopeds, and Bicycles

VAZ cars, various models—from 34,280 to 45,000 leva; Trabant Combi—25,750 leva; Trabant Limousine—23,430 leva; Moskvich—21,412-25,460 leva; Skoda 120L—38,088 leva; Wartburg—46,575 leva; MZ motorcycle—2,280 leva; Simson moped—1,480 leva; child's bicycle—250 leva; folding bicycle—430 leva.

Fuels

A-86 gasoline—2.80 leva per liter; A-93 gasoline—3 leva; A- 96 gasoline—3.60 leva; diesel—2,20 leva; propane-butane gas—0.70 leva per liter.

Commercial Banks' Interest Rate: 45 Percent

AU0602113291 Sofia BTA in English 0954 GMT 6 Feb 91

[Text] Sofia, February 6 (BTA)—As of February 7, 1991, the National Bank of Bulgaria sets at 45 per cent per annum the interest rate on the leva credits it grants to refinance commercial banks, the National Bank told the BTA today.

Power Cuts Announced, Kozloduy To Be Reloaded

AU0602114891 Sofia Domestic Service in Bulgarian 1000 GMT 6 Feb 91

[Text] Let us hear an announcement of the Energy Industry Committee:

The electric power supply in our country will be cut again for one hour every three hours per day. As far as possible, the power cuts will be cancelled between 1300 and 1700 local time today. The main reason for this is that the generating units are being put on standby, because of the shortage of coal in the Bobov Dol Thermoelectric Power Plant and in the Maritsa East plants.

Let us hear some less cheerful news now: A very severe energy crisis is awaiting us within the next month and a half. This is the opinion of Professor Lyudmil Genov, the newly appointed chairman of the Energy Industry Committee, who spoke to a BTA correspondent about the matter.

He explained his warning by pointing out that Unit No. 5 of the Kozloduy Nuclear Power Plant has to be reloaded between 5 and 15 March 1991, while Unit No. 6, which is supposed to replace it, will be put into operation only after 15 April 1991. For this reason, a transition period of more than 30 days is expected. This will cause great difficulties for our energy system, which is currently working without reserves. According to Mr. Genov, the situation could be somewhat improved by a more efficient organization of the work to complete Unit No. 6 of the Kozloduy Nuclear Power Plant. In addition to this, the difficulties in the preparatory work for the use of the unit should be overcome. Another possibility for coping with the future difficulties in our energy sector would be to restrict power consumption by several 100 megawatts. If we managed to combine this restriction with assistance from neighboring countries, we could possibly improve the situation during the transition period, Mr. Genov said.

The disturbing situation is exacerbated by the delays in preparatory operations in the coal mining sector, which increases the danger of reducing the capacity of thermoelectric power plants.

Sliven, Mikhaylovgrad Announce Bread Shortages

AU0502200491 Sofia OTECHESTVEN VESTNIK in Bulgarian 29 Jan 91 p 1

[Text] The town of Sliven is hardly covering its needs for bread with the current production of 100,000 loaves of bread per day (population of 110,000). As of 1 February 1991, however, the quantity of bread will be reduced by half. The only method of guaranteeing the people's survival until the new harvest is to supply only half a loaf per capita. Flour has also become a rarity and is rationed. Yeast for bread is also in short supply. Numerous bakeries in the municipality are closed.

In Mikhaylovgrad the per capita daily bread ration is 500 grams because the local bread plant with its hopelessly outdated and faulty equipment can hardly cover the needs.

Vratsa, Mikhaylovgrad Face Water Shortage

AU0702092591 Sofia DUMA in Bulgarian 3 Feb 91 p 2

[Iliya Borisov report: "Vratsa and Mikhaylovgrad Might Remain Without Water for the Next Two Months"]

[Text] Vratsa, 2 February—The Strechenska Bara dam in the Berkovitsa area contains 3.2 million cubic meters of water today, while the influx hardly amounts to 400 liters per second and the consumption amounts to 912 liters. The volume of unusable water in the reservoir amounts to 1.5 million cubic meters.

The situation has never been as alarming as today, considering that the dam in question has to provide drinking water for the towns of Vratsa and Mikhaylovgrad. The water reserves are barely sufficient for the next two months. In 1990 the Strechenska Bara dam contained 8,698,000 cubic meters of water while the influx was three times higher than today's—namely 1127 liters per second.

Need for 'Understanding, Cooperation' Stressed

AU0602151891 Sofia DEMOKRATSIYA in Bulgarian 31 Jan 91 p 1

[Valentin Stoev commentary: "Communism Departs As of Tomorrow"]

[Text] During the last year roughly half of the Bulgarian people used to sing the song that includes the line used in our headline. Most did so with hope and expressing a wish, rather than describing a specific reality; however, now the line takes on real meaning, because the economic reform, as the core of the transition, begins tomorrow. Something alien to communism and its older brother—socialism—begins: price liberalization, free contracting, and placing only a part of the goods under social control, as well as control on the part of the Council of Ministers.

After hesitation that lasted one year and the political and economic mimicry of two governments that failed shamefully, the real transition from a planned-centralized economy to market economic relations finally begins. The credit belongs to the present government that may be called the team of volunteers, and that, with clear conscience, is sacrificing personal interests in favor of the public good. This must be acknowledged by all.

We will not describe the specific details of Decree No. 8 of the Council of Ministers—it was published yesterday and everyone could read it. The important factor is the mechanism of the change. This mechanism contains two fundamentally new elements of market society that were unfamiliar to us, people of the former socialist camp: the price of goods will be subjected to the objective economic law of supply and demand, while the population's social protection will take the form of compensation supplements to the basic wages of those working in the companies and other economic organizations. Naturally, certain companies will not be able to pay those compensations; therefore, they will have to eliminate redundant manpower to be able to pay the obligatory compensation supplements to the wages.

The shock with which the Bulgarians were deliberately scared for months is now beginning. It was this fear that gave the election victory to the experienced party as a gift. That party's economists, however, knew the shock and deprivation were inevitable, and the deception (socialism) would not last forever, but they persisted with their obstinacy, without being able to propose an alternative to the market economy. The sad result is well known.

As of tomorrow, communism, as a final goal and promised bright future, will depart. For the time being, this will take place in the sphere of the economy. As history shows, the more difficult part still lies ahead—the departure of communism from the minds of most people, some of whom are still obstinate, while others are still afraid of the change or ignorant, and thus do not want to say farewell to communism. This is a painful agony, and not only for them.

The present government can become the symbol of many things—hope, peaceful transition, and self-sacrifice. While all this is true, we think the correct name should be the government of normalization. It had the courage to initiate the reform, which albeit slowly, and at the cost of many personal sacrifices, will turn us into a normal society. For decades people were called upon to "work tirelessly" and "believe in the future." Today those slogans are redundant. It suffices that the objective economic laws begin to function. They will take care of the situation. What the government itself needs is understanding and cooperation, so that we can survive.

National Assembly Adopts Land Bill on 1st Reading

AU0602142691 Sofia DUMA in Bulgarian 2 Feb 91 pp 1,2

[Mitko Bozhkov and Evgeni Gavrilov report]

[Excerpts] At the session of the Grand National Assembly held on 1 February, the members gave a standing ovation to the adoption of the bill on the ownership and use of agricultural land on its first reading. The indicator board showed that of 328 members present, 313 supported the bill, seven voted against, and eight abstained. [passage omitted]

This bill marks the start of the agrarian reform in Bulgaria, said Mrs. Nora Ananieva, chairman of the parliamentary group of the Bulgarian Socialist Party [BSP]. We discern in it a number of basic principles that totally coincide with the BSP's agrarian platform. We will play a most active part in the further work on the bill.

Petur Dertliev, co..a.rman of the parliamentary group of the Union of Dem.ocratic Forces, explained why it was necessary to comb.ne two principles, namely, for the land to be returned to its owners, and for land to be granted to anyone willing to cultivate it. "Otherwise, we will not succeed in creating a situation in which the land becomes productive. These are two principles which, if divorced from one another, may lead to disaster," emphasized Mr. Petur Dertliev.

Milan Drenchev, leader of the "Nikola Petkov" Bulgarian National Agrarian Union, voiced the hope that in the very near future a land law will be drafted which is acceptable to the people. "Unless we do this, we should make way for others to take our places here," Mr. Drenchev stated.

On behalf of the Bulgarian National Agrarian Union, Ivan Glushkov spoke in support of the bill, but first stressed that this law should not impose on the Bulgarian farmer any schemes, formulas, or concepts like the ones which had been drafted by incompetent and corrupt men of state in the last 45 years. It is certain that Mr. Glushkov had his own fellow party members in mind, who before 10 November 1989 had almost invariably occupied the post of minister of agriculture. [passage omitted]

Minister Pavlov on Lukanov's 'Irresponsibility'

AU0502110391 Sofia DEMOKRATSIYA in Bulgarian 25 Jan 91 pp 1,3

[Interview with Transportation Minister Veselin Pavlov by Mariana Kostova; place and date not given—"Lukanov's Irresponsibility Aggravated Work of Present Government"; first paragraph is DEMOKRATSIYA introduction]

[Text] "Many governments will replace each other in the transition to a market economy, but this is not fatal. The important thing is that each cabinet adopt decisions that will facilitate rather than disturb the activity of the cabinets that will follow. Generally, Andrey Lukanov's two governments did not adopt any responsible decisions. This greatly aggravated the work of the present government. I was minister of transportation for seven months in Lukanov's first government. It was very difficult for me to accept the passivity, precisely when action was needed." With these words, Transportation Minister Veselin Pavlov began the conversation with a representative of DEMOKRATSIYA.

[Kostova] How is the current cabinet working?

[Pavlov] Rather harmoniously, despite the differences in the political colors. Decisions are quickly implemented on the basis of precise timetables. Now for the first time I enjoy being a minister. Only 15 days after assuming my post, I succeeded in obtaining a decision on the modern national airport near Sofia. I left this project with the cabinet of the former premier on 6 June 1990, but it was not reviewed at all.

[Kostova] What inheritance did you receive in your post in the present cabinet?

[Pavlov] Transportation is a capital consuming branch, strongly influenced by a weak economy. We have equipment and facilities that are worth about 10 billion leva; however, much of it is hopelessly obsolete. We have no means for renewal. The next year will be the last during which our airplanes will be able to land in international airports. Our fleet is very obsolete, and our cars are in a lamentable state. The situation in railroad transportation is similar. Bulgarian industry contributes only 8 percent to railroad transportation production. Our present obligations to CEMA also present many obstacles.

We will achieve nothing if we do not create an economic mechanism capable of stimulating enterprise and attracting international capital. The former administrative economic management inflicted great damage.

[Kostova] What was the first thing you did or will do as minister of transportation in the new cabinet?

[Pavlov] I already told you about the airport. Its construction will not burden the budget at all. We have many offers from foreign companies who are interested in constructing the airport. They will manage its operations for 10-12 years and thus cover their investment and even make a profit.

By 10 February I will submit a proposal on the construction of highways. Until now the state budget covered their construction and maintenance. Now this is impossible. The idea is to construct them on the same principle as the airport, also on the basis of foreign capital.

Railroad transportation in Europe is viewed already as a uniform all-European structure. Trains of the high-speed European line (Belgrade-Athens and Belgrade-Istanbul) cross our country. The Railroad Institute in Paris is presently conducting research, and we will probably seek possibilities for joint investments with foreign administrations.

We also plan to establish a company with foreign participation for the production of vehicles, based on the "Chavdar" Plant. Why, for instance, should not "Ford" buses serve city transportation in the future?

As far as the fleet is concerned, we still are making certain financial calculations, and will establish our attitude later.

[Kostova] Will you conduct changes in the ministry itself?

[Pavlov] My proposal on the structure and payroll of the Ministry of Transportation was adopted by the Council of Ministers. Presently, 384 people work in the ministry, and by the end of the year their number will be reduced to 209. This will be done in two stages—the first at the beginning of February, and the second after 1 July.

[Kostova] Recently people are talking about the future price increase. How will this affect transportation services?

[Pavlov] Lukanov's governments should have effected two price increases. Then the present price increase would not appear to be so drastic. The price of railroad tickets will increase 3-4 times, and of city transportation 10 times—i.e., a ticket will cost 66-70 stotinki. This proposal will certainly be adopted soon. Transportation will continue to be a sector that is closely monitored by the state, with a view to interfering whenever required by circumstances.

Zhivkov Summoned as Witness in Ovcharov Trial

AU0602213091 Sofia BTA in English 2035 GMT 6 Feb 91

[Text] Sofia, February 6 (BTA)—Todor Zhivkov will have to appear before the court on February 13 as a witness at the trial of Stoyan Georgiev Ovcharov, formerly minister of economy and planning and non-voting member of the Politburo of the Bulgarian Communist Party, defendant under case No. 1 of 1991. The roles will be probably reversed on February 25, when Zhivkov's case will be tried. Maybe this will not be the only paradox in the future court proceedings.

Former Minister Stoyan Ovcharov is accused of having taken undue advantage of his authority in favor of a third person. On October 5, 1989 he issued an order sending Todor Ivanov Slavkov (Todor Zhivkov's grandson) as a student to Switzerland at state expense for five years as of September 1, 1989. Later on a remittance of SF [swiss francs] 32,700 was made. This is considered an especially serious crime under Article 282, Sec. 2 and 3 of the Penal and Procedure Code.

For such crimes the Penal Code provides three to ten years imprisonment and the law court decrees debarment from occupying certain state or public posts.

Defense Ministry Announces Planned Army Reforms

AU0502193591 Sofia DUMA in Bulgarian 31 Jan 91 p 1

[Unattributed report: "Changes Are Expected in the People's Army Despite Current Difficulties"]

[Text] Draft projects for a new statute of the Bulgarian Army will be published and submitted for discussion within the forthcoming days. Questions concerning new uniforms, military symbols, and ceremonies are involved. The discussion will continue in close cooperation with the relevant parliamentary commissions.

The Ministry of Defense collegium examined the moral-psychological state of the Army personnel and questions related to the training of the troops, the ministry's press center announces. The Ministry of Defense leadership and the collegium are doing everything within their power so the units and sub-units may pursue their training process and their field and firing exercises, despite the current difficult conditions. Problems related to the shortage of fuel for military vehicles and food supply for the Army personnel have recently emerged. Certain basic foodstuffs are in short supply like all over the country, but the specialists from the ministry are doing everything possible to prevent the difficulties from escalating.

Colonel General Yordan Mutafchiev, minister of defense, recommended to the commanders and officers to maintain close contact with the personnel, to settle promptly the most crucial problems, and to explain the current nationwide reforms to the troops, the announcement says.

Defense Minister Meets Stara Zagora Officers

AU0602205791 Sofia Domestic Service in Bulgarian 2030 GMT 6 Feb 91

[Text] On 6 February in Stara Zagora, Colonel General Yordan Mutafchiev, minister of defense, had a meeting with officers, sergeants, and soldiers from the Stara Zagora garrison. He spoke in detail about the process of democratization in our society and the depoliticization of the Bulgarian People's Army. He also described how the everyday life problems of the military are solved.

Bulgarian President Ends Visit; Talks Reviewed

LD0502211691 Bratislava Domestic Service in Slovak 1730 GMT 5 Feb 91

[Excerpts] [Announcer] Bulgarian President Zhelyu Zhelev and his delegation are due to depart from Bratislava's Ivanka Airport back to the homeland about now. [passage omitted]

[Martina Balazova] Talks between the Bulgarian delegation which included, apart from the president himself, Dimitur Ludzhev, deputy Bulgarian prime minister, and Foreign Minister Viktor Vulkov, opened in Bratislava Castle at lunchtime. Participating in the talks from the Slovak side were Slovak National Council Chairman Frantisek Miklosko, Prime Minister Vladimir Meciar, Minister of International Relations Milan Knazko, and others.

This is how President Zhelyu Zhelev evaluated this meeting at a short briefing:

[Begin Zhelev recording, in Bulgarian with superimposed Slovak translation] We wish to develop cooperation with the Slovak Republic on the basis of well-functioning economic contacts, while we shall, naturally, strive for putting them on a new basis. This means that we have reaffirmed our past close relations. However, we are imparting a new content to them, which reflects changes both in the political and economic spheres that were travelled by both countries. Our visit is in fact the first, and I think a very good step in developing cooperation with other former socialist countries. [end recording]

[Balazova] Answering my question about which specific fields this cooperation will concern, President Zhelev said:

[Begin Zhelev recording] As we already discussed yesterday, one of the important spheres is tourism. In this respect our relations have a profound tradition. But regarding privatization that took place in Bulgaria, this cooperaiton will be put on a different level. We shall, of course, be expanding our relations also in agriculture, education—especially regarding the exchange of students—and in culture. After that we discussed Bulgarian- Turkish relations and the role of the intelligentsia in the running of our states. [end recording]

[Balazova] At the end of the short briefing, President Zhelyu Zhelev expressed the conviction that success will be reached in settling the passive Bulgarian trade balance with our country to the satisfaction of both sides.

Many matters ensuing from our joint CEMA and Warsaw Pact membership still exist, and it was essential to resolve them in the course of this visit. According to the Presidential Office Chief Karel Schwazenberk, this was achieved. We cannot simply say that the past no longer exists. We must solve common problems jointly and Bulgaria can be an important trade partner for us.

'Middle East Dialogue' Group Holds Meeting

AU0602150591 Prague CTK in English 1806 GMT 4 Feb 91

[Text] Prague Feb 4 (CTK)—An Iraqi student called upon "all peace-loving forces of the world" to resolve the Gulf crisis through peaceful means, at a meeting organised here today by a new group called "Middle East Dialogue".

Made up of citizens from several countries, the group calls for an end to war in the Persian Gulf and a United Nations-sponsored peace conference on the Middle East.

The Iraqi student made his appeal on behalf of opposition forces in Iraq, saying that not all peaceful means of resolving the crisis have been exhausted.

The members of Middle East Dialogue are opposed to any use of force whatsoever, whether by the Iraqi side or the Allied Forces side. Hung on a monument to Czech Protestant Leader Jan Hus, where the meeting took place, was a banner reading "Bush out, Husayn out."

Pakistani Terrorist Apprehended at Ruzyne Airport

AU0502163791 Prague SVOBODNE SLOVO in Czech 30 Jan 91 p 1

[Unattributed report: "Pakistanis Sent Back"]

[Text] Prague— The command of the Federal Ministry of the Interior special security team has announced that the security situation in the CSFR remains unchanged. Preventive measures aimed at singling out possible terrorists on our territory are continuing. On 26 January 1991, during passport control after landing at Ruzyne Airport, two Pakistani nationals were apprehended. They are brothers and one of them is on the international list of terrorists. His name is Aslam Muhammad Aslam [name as published]. Both possessed Czechoslovak multiple-entry visas that allowed them to stay for 15 days on our territory. They were not given permission to stay and on 28 January they were escorted out of the country.

Communist Paper Views Troops in Saudi Arabia

AU0602155791 Bratislava PRAVDA in Slovak 5 Feb 91 p 3

[Milan Rusko commentary: "Not Only a Formality"]

[Excerpts] On the Federal Assembly's full agenda is, among other things, a debate on the agreement between the Kingdom of Saudi Arabia and Czechoslovakia on the deployment and activity of Czechoslovak military specialists in this Arab country.

Much has been written on the subject, and our public has also been instructed by our highest representatives that our role is very humane, that our soldiers are to protect the public against possible chemical attacks by Iraq, to conduct educational activity, and, in general, to be

ready—behind the lines—to eliminate the consequences of the utilization of chemical weapons. [passage omitted]

The agreement signed by CSFR Defense Minister Lubos Dobrovsky on 19 November 1990 does not speak about defensive actions only. One of the articles even concedes that, "based on the joint decision" of both parties, the unit can operate outside Saudi Arabian territory, which would mean violating the sovereignty of a third country. If, at the beginning, the sending of the unit was explained by humanitarian and economic reasons, it is really not possible to hide the truth now. It is a pity that our public has been so imprecisely informed so far. [passage omitted]

Federal Assembly deputies will approve the agreement. When making a decision, they should realize that any similar agreement on cooperation in the military sphere contains some points that have a little to do with humanity.

USSR Troop Withdrawals Total 59,519

LD0502221191 Prague CTK in English 2059 GMT 5 Feb 91

[Text] Prague Feb 5 (CTK)—As many as 59,519 Soviet troops have left Czechoslovakia up to today, the Czechoslovak and Soviet Government commissioners for withdrawal of the troops from Czechoslovakia Major General Rudolf Duchacek and Lieutenant General Eduard Vorobiyev noted at their meeting here today. They said that 13,397 families and 31,771 dependents have been withdrawn thus far. They noted that the withdrawal continues according to schedule also as regards military hardware. They said that thus far 30 launching facilities, 1,191 tanks, 2,332 combat vehicles and armoured carriers, 1,164 artillery pieces, 251 antiaicraft and antimissile pieces, 14,460 automobiles, 155 helicopters and 96 planes have been withdrawn up to today. Duchacek and Vorobiyev said that both sides will do their utmost for the withdrawal to be finished by June 1991 in accord with the agreement of February 1990. The commissioners stressed the need for drafting and signing an agreement on settlement of property and financial questions related to the stay of Soviet troops in Czechoslovakia. They have been stationed in the country since August 21, 1968, when a Soviet-led invasion of five Warsaw Pact countries crushed the revival process in Czechoslovakia. Duchacek and Vorobiyev also discussed Czechoslovak press reports about Soviet soldiers selling weapons and ammunition in Czechoslovakia. They concluded the reports are ungrounded.

KGB To Leave Embassy; StB Back in Service

AU0602154891 Bratislava VEREJNOST in Slovak 2 Feb 91 pp 1, 2

["dk"-signed report: "Serious and Sensitive Topics"]

[Text] Bratislava—**Yesterday afternoon, an extremely interesting news conference took place at Bratislava Castle. Numerous pointed and sensitive questions by the reporters were answered above all by Federal Interior Minister Jan Langos, his deputy Jan Ruml, Jiri Novotny, director of the Federal Information Service (FIS), Press Spokesman Martin Fendrych, and other representatives of the Federal Ministry of the Interior of the Czech and Slovak Federal Republic.**

Since they are representatives of security units, it is appropriate to say that they were under a concentrated—more or less well-aimed—barrage of questions. The questions often echoed the terminology so characteristic of security services—thus, for instance, it is the November coup rather than the gentle revolution, and the journalists (and thereby the public) are again becoming aware of the persistent "private informant," or disinformant, Viliam Ciklamini, former deputy federal minister of the interior, who is currently accused of the defamation crime. Of course the discussion included the screening, the need for them or their necessity, the dependability of the documentary sources for the screening, etc. Speaking on this topic, among other things, Jan Langos said that **the mechanism for obtaining information for the screening is dependable, and even a reconstruction of the damaged registers of the former State Security would not be a problem.** He also expressed his satisfaction over the fact that now even the legislative bodies are dealing with the screening.

The issue of the unofficial Soviet sources reporting that KGB financed the Civic Forum was also discussed. Of course, none of these rumors has been confirmed. The case of the signed collaboration with KGB, however, was different: **"The agreement was signed with the approval of the government of National Consensus by the then Federal Interior Minister Richard Sacher. Today, the KGB has a staff of six at the [Prague] embassy. I proposed to the federal government that it cancel the agreement and the government consented. By the way, we have not even filled the agreed upon number of posts for our intelligence agents in Moscow. A unilateral cancellation of the agreement requires, however, a six-month notice. After that, there should be only one KGB agent at the USSR Embassy in Czechoslovakia,"** Jan Langos informed. [passage omitted]

[Prague ZEMEDELSKE NOVINY in Czech on 2 February on page 2, under the headline "Not Limited to the Topic of KGB," publishes a 300-word report on the same press conference in which it states: "According to the information released by Jiri Novotny, in connection with the Persian Gulf war conflict, former State Security agents who have the knowledge and skills required in the state defense were called back to active duty."]

Closer Intelligence Service Supervision Proposed

AU0602150891 Prague CTK in English 2156 GMT 4 Feb 91

[Text] Prague Feb 4 (CTK)—A proposal for closer supervision of the Czechoslovak Federal Information Service (FIS) was discussed by the authors of the proposal and

the FIS Supervisory Commission with Federal Interior Minister Jan Langos and FIS Director Jiri Novotny here this evening.

The Supervisory Commission, comprised of eight members of the Czechoslovak parliament's Defense and Security Committees, was created by the parliament in September, 1990. The commission will continue to function until a new law on the FIS takes effect. This new law is expected to be passed at the next joint session of parliament at the beginning of March.

"We agreed on the extent to which deputies may penetrate into the work of the FIS without being obligated to secrecy in order to protect state secrets", said Langos, commenting on the meeting which was closed to the media.

The interior minister added that the new law ought to contain authorization for a special parliamentary supervisory body that would penetrate substantially further than the current commission into the activities of the FIS, actually the state intelligence service.

Havel Informed of Dissatisfaction in Army

AU0602151591 Prague LIDOVA DEMOKRACIE in Czech 26 Jan 91 p 3

["Text" of open letter addressed to President Vaclav Havel by Free Legion senior officers on 23 January: "An Appeal to Their Commander in Chief"]

[Text] On 23 January 1991, Free Legion senior officers turned to CSFR President Vaclav Havel—who is supreme commander of the Armed Forces—with the following open appeal:

According to a report that Free Legion senior officers have at their disposal, you are receiving a constant stream of letters from hundreds of officers and soldiers dissatisfied with the moral situation in our Army, with the discontent and ignorance of the senior Communist commanders, and with the squandering of the financial resources allotted to the Army.

Your office never replies, and the letters addressed to the Defense Ministry are dealt with by the commanders whose antisocial activity is the subject of the complaints. Thus, in a last desperate effort, they have turned to the Free Legion with a request for help. On the basis of their letters, we submit the following information to you:

1. The Free Legion was founded by officers from the military forums abolished by Mr. Vacek. They cooperated with the Civic Forum Coordination Center and were prepared to defend the revolution where you would not expect it to be endangered.

2. These officers are losing faith in state representatives for the following reasons:

—the ideas proclaimed in November have been abused to further the personal and political ambitions of Civic Forum representatives;

—evidence suggests that the revolution was not spontaneous, but involved a reform of the existing system prepared in advance;

—people with murky communist pasts occupy vital state positions.

3. Our society—demoralized for 40 years—does not have strong leading personalities. This situation is manifested in the Army by the resignation of young officers and by an unwillingness to carry out military service. Current policy reinforces this situation.

4. You refused to accept the Free Legion's congress program which was aimed at improving the Army's combat capability, professionalism, and prestige.

5. You continue to publicly defend the most senior Communist commanders responsible for the critical situation in the Army.

6. The generals responsible for preparing troops to intervene against people have not been called to account. On the other hand, originally impartial officers were illegally and in a degrading manner removed from their posts on the basis of false accusations.

7. The Army's poor standard is a reflection of its commanders' incompetence; this includes your advisers.

8. In our "democratic system," contact between Free Legion members is made impossible by the interruption of telephone communication and by the interception of mail.

The above-mentioned facts—and not only these—have intensified the pessimism of the junior officer corps to such an extent that some commanders—in an attempt to raise the Army's prestige—have appealed to the Free Legion with a request to arrange combat deployment in the Persian Gulf under the command of the French or the British regardless of the rank conferred on them and the financial considerations.

On the basis of specific complaints the Free Legion has at its disposal, we demand that an independent commission—with the unconditional participation of Free Legion representatives—be established at once to look into these complaints. This measure will put an end to the intimidation, humiliation, and service sanctions imposed on nonconforming soldiers, including civilian employees in military administration.

As an important element of society, the Army is an object of the general public's constant interest. The public is considerably interested in its condition and in the rational use of the financial resources invested in it. We are of the opinion that it is the duty of all of us the keep the public reliably informed.

Havel Discusses Police With Czech Delegation

LD0502214891 Prague Domestic Serice in Czech 1900 GMT 5 Feb 91

[Text] In Prague Castle today President Vaclav Havel received a delegation from the Czech Interior Ministry led by the minister, Tomas Sokol. The meeting had an informative nature.

Representatives of the Interior Ministry briefed the president on their major problems and about the drafting of new laws on the police. Vaclav Havel said that one truly pleasing piece of information was the fact that the citizen's trust in the police has been slowly rising over the past six months.

Rychetsky on Law on State of Emergency

AU0602154291 Prague SVOBODNE SLOVO in Czech 2 Feb 91 p 4

[Interview with CSFR Deputy Prime Minister Pavel Rychetsky by an unidentified reporter; place and date not given: "One Question for CSFR Deputy Prime Minister P. Rychetsky"]

[Text] [SVOBODNE SLOVO] How can we be sure that the draft law on the declaration of a state of emergency will not be misused?

[Rychetsky] The draft law anticipates a number of legal provisions preventing its misuse. Above all, the declaration of a state of emergency requires approval by the federal government. Should it be declared—because of a threat to the constitutional system—only on the territory of one of the republics, approval by the pertinent republic is required. At the same time, we accepted the draft proposed by the deputies that at the moment a state of emergency is declared, a Federal Assembly session must be automatically convened. If the Assembly does not confirm the validity of the declaration within 48 hours, the declaration becomes void. The draft law also contains a number of provisions that link the declaration and subsequent measures to agreements with the republican governments. That all rights and liberties must not be violated in any case and a general clause that the Federal Assembly can abolish the state of emergency at any time are also specified. The fact that this law could be "enforced", for example, during a general strike, raises concerns. Yet, there is no doubt that if there was a risk of totally crippling the economy during such a strike, then—in my opinion—the state would not only have the right, but also the obligation to declare a state of emergency.

Analytical Study Rejects State of Emergency Bill

AU0402140291

[Editorial Report] Bratislava PRAVDA on 30 January on page 5, under the headline "Does the State of Emergency Await Us?," publishes a 1,500-word article attacking the government bill on the state of emergency that was submitted to the legislature last week. Stefan Hrcka first describes the draft constitutional law:

"The real issue in this law is the declaration of martial law, which is formally called a state of emergency. This bill defines three situations in which the state of emergency may be declared. First, in the case of a war or other situations requiring a state defense alert. (However, the emergency measures, which may be ordered in the case of war or defense alert—as well as the prerequisites for an internal deployment of the army, as for example, during natural, economic, ecological, or industrial disasters—should be specified in the defense law). Second, if an immediate, apparent, and violent breach of the constitutional regime occurs. Third, if a situation arises substantially threatening human health or significant economic values."

According to Hrcka, "the second and third provisions for the declaration of the state of emergency are formulated very broadly and this allows for divergent interpretations and thus the law can be easily abused." He gives an example of organizing a demonstration during which some participants would damage some property, thus providing an excuse for declaring the state of emergency. Similarly, Hrcka rejects the formulation of the third provision, in which he objects to the terms "substantial threat" and "significant values."

"A state of emergency in the territory of the Czech and Slovak Federal Republic is to be declared by the president as proposed or approved by the federal government—i.e. by the government that he himself appoints and recalls."

"A state of emergency in the territory of one of the republics is to be declared by the president with the approval by the government of that republic," Hrcka continues. "However, according to the government draft, 'this does not apply if the republic constitutional bodies cannot exercise their constitutional functions.' Who will decide on the ability of the republic constitutional bodies to 'function?' Logically(?), apparently the same person, who will declare the state of emergency." The author considers this to be an "excellent weapon for taming a rebellious republic."

Hrcka believes that "the government bill does not hinder any presidential whims." He sees only one limitation in the bill, namely that, except during the war, the president can declare the state of emergency for a maximum of 90 days. This condition, however, can be satisfied by inserting short intervals between 90-day states of emergency.

Hrcka is also concerned with the right of an internal deployment of the Army. "Who will be the internal enemy? Could that be demonstrating or striking people, or as the case may be, the inconvenient opposition?"

According to Hrcka, "The bill even provides the CSFR Government with the right to limit the rights and freedoms of people including the rights and freedoms of citizens guaranteed by the Bill of Basic Rights and Freedoms."

Also interesting, Hrcka observes, is that "the explanatory statement proclaims that 'not a single state managed to prevent extending the powers of the head of the state or of the government in the case of emergency.' The draft constitutional law on the state of emergency is supposed to do precisely that. This implies that the state of emergency exists in the CSFR and thereby the third provision for the declaration of the state of emergency—a substantial threat—is satisfied...."

The author concludes that "on the whole the government bill is an unfair exploitation of the present situation to justify a Pragocentrist reinforcement of the powers of the president and of the government appointed by him, as well as the creation of a whip against a possible 'disobedience' of the republics."

Communist Party Rejects Privatization Bill

LD0502211191 Prague Domestic Service in Czech 1730 GMT 5 Feb 91

[Text] The Federal Council of the Communist Party of Czechoslovakia does not agree with the government proposals for the restitution and transformation bills. Marie Fleissigova reports:

[Fleissigova] Communists consider the draft bill on large scale privatization, or the transformation bill, as unacceptable because they claim it has a single aim—to secure the irreversibility of the restoration of capitalism in our state. For this reason, as far back as two months ago they prepared their own draft bill that would also provide opportunities for enterprise by employees' collectives and those leasing property.

The Communist Party also has severe reservations about the draft bill on out-of-court rehabilitation. Above all it is concerned about contradictory reactions from the public on the return of estate properties. It prefers payment of financial damages in kind.

At the news conference, representatives of the Communist Party also protested against the lack of reports about the activities of the legislature and in general against the so-called information blockade. However, they themselves were unable to answer the repeated question about how many members the Communist Party has at the present time, because membership fee payments and numbers of members are registered only by primary organizations. As far as the program and strategy of the Communist Party is concerned, it is being worked on at the moment, and in the future it should be a party of a decisively parliamentary type.

On the subject of returning the property of the Communist Party, Chairman of the Communist Party of Czechoslovakia Pavol Kanis said that this was an act of political revenge that makes political problems appear to be economic ones. Pavol Kanis also expressed another view—after November 1989 Czechoslovakia had a chance of obtaining a clean slate in the world. Now, by sending a military unit, we have inappropriately involved ourselves in the crisis in the Persian Gulf.

Communist Party Official Criticizes Government

LD0502105491 Prague Domestic Service in Slovak 2200 GMT 4 Feb 91

[Text] Jiri Svoboda, chairman of the Central Committee of the Communist Party of Bohemia and Moravia, today stated that the federal government, similarly to the Federal Assembly, is markedly turning away from the election program and is rapidly coming closer to an authoritative system. At a rally of more than 500 members and supporters of the party in Rychnov and Kneznou, he said in connection with Civic Forum that the Communist Party of Bohemia and Moravia is striving for the widest possible social concensus. According to him, the movement within Civic Forum is becoming the forcible implementation of a single view and a doctrinaire right-wing party is coming into being. Jiri Svoboda also recommended that those who collaborated with other secret services should also be screened.

On the subject of the participation of the Czechoslovak unit in the area of the Persian Gulf, he said that our Army units should not operate on the territories of other states, and at the same time he added that the cynical informational Americanization of the war as a great performance appears repugnant to him.

Party Advocates Separate Moravian Republic

AU0502181891 Prague LIDOVA DEMOKRACIE in Czech 26 Jan 91 p 1

["Standpoints of the Czechoslovak People's Party Central Committee Presidium on Territorial Arrangement, Screenings, and Agriculture"]

[Text] At its session on 24 January 1991, the Czechoslovak People's Party [CSL] Central Committee Presidium dealt, among other things, with the question of the future territorial division and constitutional arrangement of the Czech Republic and the CSFR in general, because this issue is on the agenda of Czech National Council deliberations and is increasingly becoming the subject of public political discussions. The CSL Central Committee Presidium unanimously agreed that the variant of a federal, or union [spolkovy], arrangement of the state corresponds best to the need for a rational arrangement of state administration and for the operation of state bodies in the future. This single but not unitary union state [jednotny, nikoliv vsak unitarni spolkovy stat] should consist of the Slovak Republic

(land), the Moravian-Silesian Republic (land), and the Czech Republic (land) in their historical borders. The territorial subdivision of individual republics or lands would be an internal affair of each of the aforementioned lands (republics) so that it can optimally reflect the need to retain historically established linkages of some regions (such as Silesia) while enabling a rationally functioning state administration at all levels. The CSL Central Committee Presidium is aware of the fact that, as a matter of principle, the powers of the Slovak Republic and the Czech Republic agreed to toward the end of last year must be retained and it deems it logical that the Moravian-Silesian land (republic) be provided with the same powers.

The CSL Central Committee Presidium also discussed the issue of screenings and collaborators of the former State Security Corps [StB]. The CSL Central Committee Presidium calls on all CSL members who are deputies to the Federal Assembly or the Czech National Council or members of the Czech Republic government to resign immediately from their posts in these bodies if they are described as collaborators of the former StB, according to the conclusions of the Commission for Investigating the 17 November 1989 Events. The CSL Central Committee Presidium demands that effective legislative and other measures be adopted to enable all persons accused of collaboration with the former StB to defend their civic honor. It demands that their safety be guaranteed, that they be provided with the opportunity to become acquainted with all information on which the cited accusations are based, and that conditions be established for them to inform the public about their case. The CSL Central Committee Presidium demands the immediate adoption of a law banning the arming of former StB members and collaborators, especially within organized groups, including their association in private detective and bodyguard agencies. The CSL Central Committee Presidium is convinced about the essential need to cleanse our public life not only of StB collaborators but also (and primarily) of those who made the founding and operation of this criminal organization possible or who were its leading representatives and members, as well as of the nomenklatura of the Communist Party of Czechoslovakia, who collaborated with the StB on a large scale and who did so, for the most part, voluntarily and without being registered as collaborators. The CSL Central Committee Presidium considers it desirable that the two national councils adopt, within their own sphere of jurisdiction, a decision on screenings and collaborators of the former StB analogous to that adopted by the Federal Assembly.

The CSL Central Committee Presidium also voiced criticism of the government's current agricultural policy, which inadequately responds to the problems in agricultural production and in the marketing of its products. Basic economic rules and economic conditions for agriculture as a whole have not been set, which leads to the accumulation of unresolved problems. In the final analysis, this could have serious repercussions and lead to the disintegration of the agricultural complex as such. Conditions for the support and development of private farming have not been established to this date. The CSL Central Committee Presidium demands the approval of such a law on land as would provide for the restitution of the right [to this land] and of agricultural property on the full scale to all those who had been deprived of them.

Former Interior Minister Released From Custody

LD0602134691 Prague Domestic Service in Czech 1300 GMT 6 Feb 91

[Text] Former Federal Interior Minister Frantisek Kincl and his former first deputy Colonel General Alojz Lorenc were released from custody today on the basis of the decision of the High Military Court in Pribram [SW Bohemia]. Both of them were prosecuted in connection with the 17 November [1989] events for the criminal offense of abusing their powers as public officials. But because both accused filed a complaint against the verdict—in which the military prosecutor refused their application to be released from custody—the case was submitted, according to the valid Criminal Code, to the High Military Court in Pribram for decision. The court ruled today to release both of them from custody and to set them free, because it cannot see a reason for their custody. According to the spokesman of the Military Prosecutor's Main Office, Lieutenant Colonel Jan Dubensky, the Office of Military Prosecutor is noting that this decision is unlawful and that it will file a complaint against it to the Czechoslovak Supreme Court for violating the law.

Effect of Price Liberalization on Food Prices

AU0302180391

[Editorial Report] Prague HOSPODARSKE NOVINY in Czech on 30 January on page 9 carries a 700-word article by Engineer S. Kocianova and Engineer J. Weissova from the Federal Statistical Office entitled "Development of Prices in January." The article summarizes the results of a survey conducted by the Czech Statistical Office on the development of food prices since the liberalization of prices on 1 January. The survey compared the level of prices of 240 food products in major cities of the Czech Republic in December 1990, before the start of price liberalization, and on 15 January 1991, two weeks after price liberalization. On the same page, HOSPODARSKE NOVINY publishes a table (three by seven inches) providing data on the "preliminary index of food prices in designated cities of the Czech Republic" for the first two weeks of January 1991.

According to the table, the overall level of food prices in the Czech Republic increased 31.8 percent by 15 January 1991, compared with December 1990. The greatest increase was registered in Brno (38.9 percent) and the smallest in Ostrava (25.7 percent).

Particularly rapid was the increase in the prices of milk and dairy products (51.5 percent for the Czech Republic

as a whole) and bakery products (43.8 percent). The price increase for meat and meat products, eggs, fats, sugar, sweets, and alcoholic and nonalcoholic beverages averaged 30 percent.

According to the authors of the HOSPODARSKE NOVINY article, surveys conducted after 15 January show that "prices stabilized" in the third and fourth week of January. Some prices (beef, milk, meat, butter, and potatoes) have even declined.

Fourfold Increase in Public Transport Fares

AU0402142191

[Editorial Report] Prague HOSPODARSKE NOVINY in Czech on 31 January on page 2 carries a 500-word "aa"-signed article entitled "Prague Will Be the Most Expensive City." The report deals with the decision of the Prague City Council of 30 January to increase public transport fares in Prague from 1 to 4 korunas [Kcs] as of 1 April 1991. On the same page, HOSPODARSKE NOVINY publishes a table (3 by 4 inches) surveying approved or proposed increases in public transport fares in other major cities of the Czech Republic.

Prague City Councillor J. Polak is quoted as having told HOSPODARSKE NOVINY that the increase has been made necessary by the Kcs100 million reduction in the subsidy received by the Prague Public Transport Company and by the anticipated Kcs300 million increase in its energy costs. The increase should help increase revenues by Kcs300 million; the remaining Kcs100 million will have to be saved through staff cuts and other cost-cutting measures.

The HOSPODARSKE NOVINY report also details the system of reduced fares that will go into effect simultaneously with the increase in fares and which includes Kcs1 rides for mothers of small children and free rides for senior citizens over the age of 70. It mentions that the proposed increase will have to be approved by the plenary meeting of the Prague municipal representative body on 14 February.

The survey of approved or proposed increases in other public transport fares shows that the price of individual tickets in most cities of the Czech Republic will go up from Kcs1 to Kcs2 or Kcs3. Some of the increases went into force on 1 January or 1 February; others are planned for 1 March, 1 April, or 1 July.

New Council To Help Refugees, New Settlers

AU0502170391 Prague CTK in English 1228 GMT 3 Feb 91

[Text] Prague Feb 2 (CTK)—The aim of a newly-established Council for Helping Refugees and New Settlers is to protect their justified interests and to help coordinate activity of its member organizations and represent their interests before the state and state institutions.

The council's preparatory committee member Ilja Hradecky told CTK today that members of the council include the Czechoslovak Helsinki Committee, the Czech Catholic Charity, the Evangelic Church of Czech Brethren, and other non-state organizations.

Efforts To Undermine OF Unity Scored

AU0602122191 Prague ZEMEDELSKE NOVINY in Czech 2 Feb 91 pp 1,2

[F. Lauer report: "Fouls Committed by Milan Kondr"]

[Text]**Sports journalists would call them fouls. And substantial ones! Yesterday's regular briefing of the Civic Forum [OF] had hardly begun when the second deputy chairman of this party—actually still a movement—Milan Kondr, (whose mysterious election still puzzles most Prague citizens), followed by another member of the Republic Council, Federal Assembly Deputy Jiri Kovar, left the room. They returned only at the closing of the conference because, as M. Kondr said, they are tolerant of journalists.**

One must admit that the deputy chairman's very first answer was really something. They allegedly left because the composition of the delegation did not correspond to that approved by the Civic Forum Republic Council on Tuesday [29 January]. In this context, it is not without interest that in the minutes of this meeting there is apparently no mention of Civic Forum representatives being delegated to yesterday's press conference.... It came out that they were bothered specifically by the presence of Lubor Kinst, Civic Forum first deputy chairman, and especially by the presence of Federal Assembly Deputy Ladislav Vrchovsky, Civic Forum Liberal Club representative. They were not at all interested in the fact that it was this club that dealt with the current situation in the Civic Forum from their point of view at the meeting on Thursday night [31 January], and that the journalists wanted to learn the details.

And it was precisely this moment that M. Kondr committed the most cunning foul, which probably did not bring much joy to Civic Forum Chairman Klaus in Switzerland. Namely, the second deputy chairman declared: "It would be logical if the Liberal Club organized its own press conference because the Liberal Club is not a Civic Forum entity."

According to information from the first part of the briefing, the next Civic Forum assembly should take place in Olomouc; if at least one-third of the delegates do not decide on an earlier date, then apparently at the end of March.

As mentioned by Ladislav Vrchovsky, members of the Civic Forum Republic Council for the Liberal Club demand that the membership in the Council be suspended for those members whose activities violate the current statutes. He emphasized that the republic assembly had entrusted the Council with drafting the

statutes of the constituting party. However, at its session on Tuesday, the Council adopted a principle allowing only preregistered members of the new party to take part in the drafting of the statutes. At the same time, the Council rejected a motion that the current statutes provide the key for the selection of candidates attending the next assembly. Since the last decision of the Council (Chairman Klaus was not present at the voting) violates the statutes currently in effect, the liberal members of the Council demand that the Arbitration Commission of the Civic Forum Coordinating Center propose to the assembly that it pronounce this decision invalid.

Results of Second-Round Local Elections Reported

AU0502193791 Prague SVOBODNE SLOVO in Czech 31 Jan 91 p 3

[CTK report: "From the Electoral Commission"]

[Text] Prague— In the [first-round] November elections and the subsequent December and January rounds of local elections, local representative bodies were elected in a total of 5,740 communities of the Czech Republic. Of the 7,544,640 registered voters, 5,530,970 participated in the elections and a total of 69,935 members of local representative bodies were elected. This was stated by the Czech Electoral Commission at its session in Prague on Wednesday [30 January]. On 26 January, additional local elections were held in 25 communities and more than four-fifths of the 6,380 registered voters took part in them. The largest number of seats were won by the Association of Independent Candidates, independent candidates, Civic Forum, the Communist Party of Czechoslovakia, and the Czechoslovak People's Party.

Pithart on Constitutions, Independent Slovakia

AU0602123791 Bratislava NARODNA OBRODA in Slovak 2 Feb 91 p 13

[Reprint of interview with Czech Prime Minister Petr Pithart published in REPORTER No. 4; place and date not given: "Preparing the Ground Before the Test"]

[Excerpts] [REPORTER] Establishing the federation's sovereignty from the republics' sovereignty is, surely, a reliable way of destroying the federation?

[Pithart] I would like to point out that the slogan "A Strong Federation Means Strong Republics"—against which such attacks have been made—appeared in the federal Government's policy statement and not in the Czech government's policy statement. In our country it is impossible—in the true sense of the word—to talk about the republics' sovereignty because our federation evolved by separating a unitarian state. In our case, this involves a structure which, from the point of view of sovereignty, is "in a state of flux" and has no legal basis.

[REPORTER] A great deal has been said in the past year about national sovereignty....

[Pithart] National sovereignty is an even more complicated concept because a nation is not—as opposed to a state—a subject of international relations. This entire rhetoric was misleading and merely made the conflict worse. [passage omitted]

[REPORTER] What should the relationship between the federal Constitution and the republican constitutions be?

[Pithart] First and foremost, all three constitutions must mutually supplement each other; therefore, they must evolve at the same time otherwise a completely insoluble situation will arise when we have three constitutions that do not correspond to each other. The Slovak constitution has been ready for a long time; I can imagine a situation when they will wait no longer and make it public knowledge. This would depend on the domestic political situation. We would then have no other choice but to complete our own national constitution to match theirs; this would also certainly apply to the federal constitution. However, none of us agrees with such an alternative. If this situation should arise, it would mean another—and this time very difficult—constitutional crisis. It is impossible for anyone to present anyone else with a fait accompli.

[REPORTER] What do you think about Jan Carnogursky's plans for gradually bringing about Slovak independence?

[Pithart] I recently read an interview with J. Carnogursky in which he said that Slovakia wants to enter Europe as a sovereign nation, as a separate entity. This does not bother me at all since this time he himself added: However, unfortunately, Europe does not recognize this effort. Today's Europe is not a grouping of nations. In this regard, Slovakia is acting in vain and Carnogursky knows it. I am simply surprised that he can hold such an unrealistic view for such a long time. This is, obviously, an expression of a specific split personality that—especially before elections—does its best to comply with certain moods and, in this sense, it cannot be taken seriously.

Federal Ministry Facilitates Meciar Visit to Bonn

LD0502103591 Prague CTK in English 2129 GMT 4 Feb 91

[Text] Prague Feb 4 (CTK)—Slovak Prime Minister Vladmir Meciar's negative statement about the Czechoslovak Foreign Ministry's role in preparations of his recent visit to Germany carried by a Slovak daily today was explained by the ministry's spokesman by probable lack of information.

In an interview carried by today's Slovak independent daily "NARODNA OBRODA", Meciar said that the Federal Foreign Ministry had rejected a request to mediate his meeting with German Vice-Chancellor and

Foreign Minister Hans-Dietrich Genscher during his visit to Germany last week. The meeting took place on February 1.

Spokesman for the Foreign Ministry Egon Lansky told CTK today that he knows from his talks with Czechoslovak Foreign Minister Jiri Dienstbier that the ministry and the Czechoslovak Embassy in Bonn substantially contributed the success of Meciar's visit to Germany. The program of the visit was discussed from the very beginning by officials of the Czechoslovak Foreign Ministry with their counterparts in Bonn and they succeeded in fully ensuring the visit. The Czechoslovak Embassy in Bonn also took part in preparing the meeting with Genscher. Minister Dienstbier had personally recommended the recepion, Lansky said.

Meciar Interviewed on Visit

AU0602173691 Bratislava NARODNA OBRODA in Slovak 4 Feb 91 pp 1,3

[Interview with Slovak Prime Minister Vladimir Meciar by Martin Hric in Bratislava on 3 February: "On Germans, Friendship, and Enterprise"]

[Excerpts] [Passage omitted] [Hric] Our sore spot is the energy sector. Are there any possibilities of cooperation [between Germany and Slovakia] in this sector?

[Meciar] As you know, the Czech Republic has ecological problems with electricity production, and Slovakia must import electricity. When I raised this issue [during the visit to Germany], we were given the promise that they would finance the construction of a power station in Zilina and do a general overhaul of the entire system of hydroelectric power stations on the Vah river. We would pay for it with electricity. They would also reconstruct at their own cost the 200 megawatt transmission line to Bavaria. We have established a joint venture [with Siemens] for controlling Soviet-type nuclear power stations. They will modernize the Bratislava cable factory for the needs of cable television and some types of cables for electricity distribution. Questions concerning cooperation in helping us reduce our energy consumption and introducing more efficient heating systems and heat consumption measuring devices are being worked on. We have received the offer [from Siemens] for the construction within four and one-half years of the most up-to-date nuclear power station at a cost of 5 billion German marks. We would pay for it with a portion of its output, but Slovakia would become self-sufficient in the production of electricity.

[Hric] Leaving aside the issue of conversion, another sore spot [for Slovakia] is electronics and electrical engineering.

[Meciar] We discussed this issue as well. The president of the company with whom we held talks has 20 billion German marks to invest. Their placement depends on his and the board of directors' decision. Of course, they will think 10 times before they say yes. During the talks, he came up with a number of new ideas. The Bosch company, for example, could produce machinery and equipment in Slovakia. [passage omitted]

[Hric] Let me now ask a completely different question. Did the Federal Ministry of Foreign Affairs participate in the preparation of this trip?

[Meciar] No. When we requested that the ministry mediate my meeting with [German Vice Chancellor and Foreign] Minister Genscher, Minister Dienstbier rejected it. Quite the contrary. When we prepared the meeting using other channels, there were attempts to thwart it. If the Ministry of Foreign Affairs does not provide the republics and their representatives with information and services and does not make even one step to organize the stay, the question arises as to what is the benefit of such a ministry?! [punctuation as published] [passage omitted

Magyar Weekly in Slovakia Becomes Daily

LD0502003191 Budapest Domestic Service in Hungarian 1500 GMT 4 Feb 91

[Summary] The weekly paper SZABAD FOLDMUVES, which has primarily served the Magyar population in the Slovak countryside, is being transformed into a daily, thus becoming the second Hungarian language daily in Slovakia after the UJ SZO of Bratislava.

New Gypsy Movement Holds Constituent Congress

AU0502170591 Prague CTK in English 1442 GMT 3 Feb 91

[Text] Prague Feb 3 (CTK)—The Movement of Involved Gypsies, which is to form an opposition to the Roman Civic Initiative held here yesterday its constituent congress.

The new movement's program includes unification of Romany movement in Czechoslovakia and the creation of a federal council which would represent and direct all organizations of Gypsies. The new movement also wants to solve the complicated economic situation of Gypsies in the present stage of economic reconstruction in Czechoslovakia.

Government Offices Discuss SFRY Arms Deals

LD0602221491 Budapest MTI in English 1942 GMT 6 Feb 91

[Text] Budapest, February 6 (MTI)—As reported previously, the Foreign Affairs and Defence Committees of the Hungarian National Assembly held a joint session in which the relevant government officials provided detailed information on the Croatian arms delivery scandal.

The six-hour session was attended by President Arpad Goncz, Prime Minister Jozsef Antall, Foreign Minister Geza Jeszenszky and Minister of the Interior Peter Boross.

According to the communique issued on the session, the two committees acknowledged the government's admission that a "formal error" had been made when the weapons deal was sanctioned, and the relevant authorities judged it to be sound, and that the handling of the affair once it had come to light fair left much to be desired. The committees urged the government to strive to avoid repetitions of the affair in future by adopting a more cautious attitude.

The two committees backed the government's intentions to attempt to settle the related problems and Yugoslavia's judgement, and to consolidate relations between Hungary and Yugoslavia, as well as its member republics, through diplomatic channels.

Geza Laborczi of the Alliance of Free Democrats told journalists that in his opinion the Government had made a serious blunder in failing to give immediate answers to the questions raised once the affair became known.

Several members of the committee of state secretaries in charge of licensing procedures knew about the matter, and the foreign minister was also aware of the decision, the mp said.

Laborczi pointed out that the buyer, whose name had not been revealed, held talks about the transaction with Imre Szokai, deputy secretary of state at the Foreign Ministry. According to the MP, the 10,000 machine guns were to have gone to the Croatian police.

When the session began, the journalists assembled in Parliament building were informed that, on the proposal of MP Gyorgy Csoti of the Hungarian Democratic Forum, the discussion would be treated as strictly confidential. However, as more and more details of the government's briefing leaked out, the mps finally decided to change their original position and lift the ban on information.

Although statements made by Tamas Katona, secretary of state at the Foreign Ministry, and opposition leaders after the session cast light on the background of the arms delivery affair, the Young Democrats stressed that certain details remained unclear, mainly concerning questions of political responsibility and personal consequences. To clarify these details, several mps of the Alliance of Free Democrats and the Federation of Young Democrats called for a parliamentary investigations committee to be set up.

Although the business side of the deal is still being treated as confidential, it has been revealed that the partner of the Hungarian authorities was the Yugoslav Astra company.

Tamas Katona said that Hungary has "got rid of" the weapons of the former workers' militia in a perfectly normal business transaction, legally speaking. 180 cartridges were also sold with each machine gun. Hungary officially authorized delivery of the weapons which, loaded in lorries, openly crossed the border after a routine customs check.

Katona stressed Hungary's firm intention of settling the delicate matter as soon as possible. To this end, Defence Minister Lajos Fur is intent on holding a meeting with his Yugoslav counterpart, Veljko Kadijevic. Katona said he was hopeful that his forthcoming visit to Belgrade would also promote the development of relations.

Joint Committee Formed for Soviet Troop Pullout

LD0502204391 Budapest MTI in English 1808 GMT 5 Feb 91

[Text] Budapest, February 5 (MTI)—Lieutenant General Antal Annus and Lieutenant General Viktor Shilov, government emissaries, held talks about economic and financial matters relating to the pull-out of Soviet troops from Hungary, at the Budapest headquarters of the Soviet Southern Army Group on Tuesday.

An agreement was reached on the setting up of a Hungarian-Soviet joint committee to take charge of all professional, property, economic and financial issues, and to supervise the work of a technical sub-committee which will handle matters connected with the on-the-spot sale of real estates.

Annus and Shilov discussed the procedure of surveying the environmental damage caused by the Soviets and approved by experts, and appointed bodies to take the necessary measures should environmental disputes arise.

Assembly Speaker Meets Mongolian Counterpart

LD0502205491 Budapest MTI in English 1915 GMT 5 Feb 91

[Text] Budapest, February 5 (MTI)—Gyorgy Szabad, speaker of the Hungarian parliament, met Radnaasumbereliyn Gonchigdorj, vice-president of the Mongolian People's Republic and president of the People's Small Hural, in his office on Tuesday. Gonchigdorj is currently heading a delegation to Hungary at the invitation of the National Assembly.

The head of the Mongolian parliamentary delegation said that the Hungarian experience was of great value, having been drawn upon during the free elections in Mongolia. The sides agreed on the need to intensify cooperation between the two parliaments.

CPSU Official on Change to Market Economy

LD0502191891 Budapest Domestic Service in Hungarian 1600 GMT 5 Feb 91

[Text] Ivan Poloskov, first secretary of the Russian Communist Party, mentioned Hungary as a warning example about the changeover to the market economy. In his speech that appeared in KRUPPA this kind of perestroika can lead to the dictatorship of private capital, which has already happened in Eastern Europe, Lithuania, and elsewhere.

Poloskov quoted the Gallup Institute's survey according to which 84 percent of Hungarians are expecting a decline in living standards. He further explained that this is what would have awaited the Soviet Union if the programs dictated by the liberals had been introduced.

Subsidy for Minorities Approved, Aid Discussed

LD0502205791 Budapest MTI in English 1937 GMT 5 Feb 91

[Text] Budapest, February 5 (MTI)—According to the last point on the agenda of parliament's session, which ended on Tuesday evening, MP's [members of parliament] have decided in favour of a treasury subsidy for the national and ethnic minority organizations. The decision on the distribution of the 200-million-forint allowance was adopted by 199 votes for, 2 votes against and 6 abstentions.

Gypsy organizations will receive 81 million forints, Germans 32 million, Slovaks 20.5 million, Croatians 18.5 million, Romanians 13 million, and Serbs and Slovenians 7.5 million forints each. A reserve fund of 20 million forints will serve the ends of newly-founded national and ethnic organizations.

During the afternoon session, Laszlo Paszternak of the Hungarian Socialist Party asked the prime minister, or rather, in his absence the relevant minister, for what purposes the U.S. Government aid approved six months ago had been used.

Finance Minister Mihaly Kupa said that Hungary would be granted access to the 87.5 million dollars were received in the form of services rendered by various American organizations.

As the use of the aid has to be licensed annually, disbursement of the money earmarked for 1991 cannot begin as yet.

* Parliamentary Committee Report Accepted

91P20153A Budapest NEPSZABADSAG in Hungarian 22 Jan 91 p 2

[Article by Peter Mag: "The RMDSZ [Democratic Federation of Hungarians in Romania] Accepts, Although With Reservations; Debate Over the Marosvasarhely (Tirgu Mures) Report"]

[Text] The RMDSZ [Democratic Federation of Hungarians in Romania] accepts—not without reservations, but on the whole—the report of the Romanian parliamentary committee charged with examining the bloody events of last March.

Among other things, this issue was resolved at forums of the Democratic Federation of Hungarians in Romania held respectively on Saturday and Sunday in Csikszereda (Miercurea Ciuc) and Marosvasarhely (Tirgu Mures). The federation's president, Geza Domokos, declared that while the report is inaccurate in many places and makes some generalizations in its conclusions that could cloud the issue, the RMDSZ—although expressing criticisms and reservations about the document's shortcomings—finds it acceptable. Even if it is not fully valid, the document, which together with the supporting material is about 200 pages long, has a "relatively positive significance" for the Hungarians of Romania.

At the Csikszereda (Miercurea Ciuc) forum, it was stated that the RMDSZ's parliamentary representatives valued the objective tone, impartiality, and thoroughness, as well as the sober tone of responsibility toward the country's fate, which the report reflects. However, the president stated that at this forum they also stressed that "we cannot agree" with some phrases in the report, especially those that refer to the discrepancies between the principles and practices of the federation.

The ROMANIAI MAGYAR SZO wrote the following about the report, which has been submitted to the parliament in Bucharest and has also been delivered to the Council of Europe: "Presently, it is not possible to evaluate the report properly, because it is very long, and Representative N.S. Dumitru only presented it in summary. However, it is evident even from this that the Hungarians were not the initiators [of the violence]...." At the same time, the Vatra Romaneasca [Romanian nationalist organization] calls the report a "crass fabrication" and requests that the parliament, which has yet to debate the document, not accept it. Instead, it wants a new committee to prepare a new account.

1990 Foreign Trade Figures Provided

LD2501144791 Budapest MTI in English 1226 GMT 25 Jan 91

[Text] Budapest, January 25, 1991 (MTI-ECONEWS)—Figures of the Ministry of International Economic Relations on Hungary's foreign trade in 1990. Turnover here and henceforward refers general exports FOB [expansion unknown] and imports CIF [expansion unknown]. The time of recording exports and imports is the date when the goods crossed the customs frontier of the country. The values of contracts indicated in foreign currencies are converted into forints and then into U.S. dollars by the exchange rates quoted on the day the goods cross the border.

Rouble trade (million rbl)

	December		
	1989	1990	Index
Exports	1007.3	974.9	96.8
Imports	865.1	796.2	92.0
Balance	142.2	178.7	
	January - December		
	1989	1990	Index
Exports	7590.1	5784.8	76.2
Imports	7046.5	5787.3	82.1
Balance	543.6	-2.5	

Non-Rouble trade (million U.S. dollars)

	December		
	1989	1990	Index
Exports	997.0	1221.2	122.5
Imports	854.1	1175.0	137.6
Balance	142.9	46.2	
	January - December		
	1989	1990	Index
Exports	5975.2	7063.5	118.2
Imports	5435.5	6118.7	112.6
Balance	539.7	944.8	

Rouble Trade by Commodity Groups (million roubles)

	January to December 1989			
	Exports	in percent of the exp.	Imports	in percent of the imp.
Energy(1)	31.8	0.4	1934.6	27.5
Materials(2)	1769.2	23.3	2486.4	35.3
Machinery(3)	3517.1	46.3	1367.2	19.4
Consumer goods(4)	1283.7	16.9	1086.3	15.4
Food(5)	988.3	13.0	172.0	2.4
TOTAL	7590.1	100.0	7046.5	100.0
	January to December 1990			
	Exports	in percent of the exp.	Imports	in percent of the imp.
Fuels, Energy(1)	16.6	0.3	1532.1	26.5
Materials(2)	1203.3	20.8	2046.8	35.4
Machinery(3)	2539.3	43.9	993.7	17.2
Consumer Goods(4)	1108.6	19.2	1026.5	17.7
Food(5)	917.1	15.9	188.2	3.3
TOTAL	5784.9	100.0	5787.3	100.0
(1) Fuels, Electric Energy				
(2) Raw Materials, Semi-Finished Products, Spare Parts				
(3) Machinery, Transport Equipment, Other Capital Goods				
(4) Industrial Consumer Goods				
(5) Raw Materials for the Food Industry, Livestock, Processed Food Products				

Non-Rouble Trade by Commodity Groups (million dollars)

	January to December 1989			
	Exports	in percent of the exp.	Imports	in percent of the imp.
Fuels, Energy(1)	212.0	3.5	39.8	0.7
Materials(2)	2642.0	44.2	3267.1	60.1
Machinery(3)	619.2	10.4	943.6	17.4
Consumer Goods(4)	890.5	14.9	631.7	11.6
Food(5)	1611.4	27.0	553.2	10.2
TOTAL	5975.1	100.0	5435.4	100.0

Non-Rouble Trade by Commodity Groups (million dollars) (Continued)

	January to December 1990			
	Exports	in percent of the exp.	Imports	in percent of the imp.
Fuels, Energy(1)	234.9	3.3	537.5	8.8
Materials(2)	3094.1	43.8	3098.4	50.6
Machinery(3)	823.5	11.7	1108.1	18.1
Consumer Goods(4)	1100.5	15.6	800.2	13.1
Food(5)	1810.4	25.6	574.5	9.4
TOTAL	7063.4	100.0	6118.7	100.0
(1) Fuels, Electric Energy				
(2) Raw Materials, Semi-Finished Products, Spare Parts				
(3) Machinery, Transport Equipment, Other Capital Goods				
(4) Industrial Consumer Goods				
(5) Raw Materials for the Food Industry, Livestock, Processed Food Products				

Share of the Various Branches Grouped According to Product Convertible Trade (million U.S. dollars)

	January - December				
Branch	Turnover		Share (in percent)		Index
	1989	1990	1989	1990	1989=100 pc
	EXPORT				
Mining	3.2	5.7	0.1	0.1	178.1
Electric Energy	0.1	3.9		0.1	3900.0
Metallurgy	847.4	1016.4	14.2	14.4	119.9
Machine Industry	1203.4	1543.0	20.1	21.8	128.2
Building Industry	72.9	137.1	1.2	1.9	188.1
Building Mat. Ind.	108.2	140.3	1.8	2.0	129.7
Chemical Industry	1189.9	1291.9	19.9	18.3	108.6
Light Industry	748.6	885.1	12.5	12.5	118.2
Food Industry	1095.0	1398.0	18.3	19.8	127.7
Agriculture	614.2	505.3	10.3	7.2	82.3
Forestry	69.1	77.2	1.2	1.1	111.7
Others	23.1	59.6	0.4	0.8	258.0
TOTAL	5975.1	7063.5	100.0	100.0	118.2
	IMPORT				
Mining	83.4	518.9	1.6	8.5	607.6
Electric Energy	[no numbers as received]				
Metallurgy	328.3	257.7	6.0	4.2	78.5
Machine Industry	2174.8	2478.7	40.0	40.5	114.0
Building Industry	32.1	31.3	0.6	0.5	97.5
Building Mat. Ind.	112.9	99.1	2.1	1.6	87.8
Chemical Industry	1361.1	1329.8	25.0	21.7	97.7
Light Industry	687.2	698.0	12.6	11.4	101.6
Food Industry	414.1	390.0	7.6	6.4	94.2
Agriculture	177.2	215.5	3.3	3.5	121.6

Share of the Various Branches Grouped According to Product Convertible Trade (million U.S. dollars) (Continued)

Branch	January - December				
	Turnover		Share (in percent)		Index
	1989	1990	1989	1990	1989=100 pc
Forestry	11.8	33.8	0.2	0.6	286.4
Others	50.6	65.9	0.9	1.1	130.2
TOTAL	5435.5	6118.7	100.0	100.0	112.6

Share of the Various Branches Grouped According to Product Non-Convertible Trade (million roubles)

Branch	January - December				
	Turnover		Share (in percent)		Index
	1989	1990	1989	1990	1989=100 pc
	EXPORT				
Mining	46.3	40.2	0.6	0.7	86.8
Electric Energy	10.1	4.6	0.1	0.1	45.5
Metallurgy	223.2	152.9	2.9	2.6	68.5
Machine Industry	4619.9	3313.4	60.9	57.3	71.7
Building Industry	45.1	15.6	0.6	0.3	34.6
Building Mat. Ind.	37.1	20.7	0.5	0.4	55.8
Chemical Industry	868.0	764.1	11.4	13.2	88.0
Light Industry	714.7	511.1	9.4	8.8	71.5
Food Industry	678.3	622.9	8.9	10.8	91.8
Agriculture	321.0	312.3	4.2	5.4	97.3
Forestry	0.1	0	0	0	0
Others	26.2	27.2	0.3	0.5	103.8
TOTAL	7590.0	5785.0	100.0	100.0	76.2
	IMPORT				
Mining	1452.6	1082.6	20.6	18.7	74.5
Electric Energy	357.8	348.7	5.1	6.0	97.5
Metallurgy	547.2	492.2	7.8	8.5	89.9
Machine Industry	2565.4	2178.8	36.4	37.6	84.9
Building Industry	48.6	28.2	0.7	0.5	58.0
Building Mat. Ind.	107.4	88.0	1.5	1.5	81.9
Chemical Industry	1053.2	783.1	14.9	13.5	74.4
Light Industry	639.8	511.2	9.1	8.8	79.9
Food Industry	150.7	172.7	2.1	3.0	114.6
Agriculture	35.4	28.4	0.5	0.5	80.2
Forestry	38.0	23.0	0.5	0.4	60.5
Others	50.3	50.4	0.7	0.9	100.2
TOTAL	7046.4	5787.3	100.0	100.0	82.1

Ministry To Expedite Transfer of German Convoy

LD0602143391 Warsaw Domestic Service in Polish 1400 GMT 6 Feb 91

[Text] The Polish authorities are prepared to let pass immediately a convoy of around 200 trucks and other military vehicles of the former GDR Army, which is a gift by the Bundeswehr to the Russian Orthodox Church, on the condition of the convoy meeting elementary legal and road safety requirements, says a statement by the Polish Foreign Ministry. Guided by humanitarian consideration the appropriate Polish authorities have decided to exempt the convoy from the requirement of having an international road transport permit. The permit, which should have been issued by the German authorities, would be issued free of charge by the Polish authorities.

Spokesman Comments on Convoy

AU0602165591 Warsaw POLSKA ZBROJNA in Polish 4 Feb 91 p 2

[Text] PAP—The Press and Information Department of the Ministry of Foreign Affairs conveyed to PAP the following statement by the Ministry's spokesman:

Recently, a convoy of about 200 trucks and other military vehicles of the former GDR army, a gift from the Bundeswehr to the Soviet Orthodox Church, arrived at the Polish-German border in Olszyna. We were told that the vehicles were carrying a certain shipment, also a gift.

The vehicles had no license plates, insurance, or proper markings that identify a humanitarian transport. They were driven by Soviet Army soldiers in uniform, without proper driving licenses. Furthermore, armed Soviet soldiers were inside the trucks.

In the face of those facts, Poland could not give the convoy permission to enter Poland because it failed to conform to elementary rules of the highway code and other legal instruments valid in Poland, the FRG, and the whole of Europe.

When a convoy this size enters Poland, special attention has to be paid to the fulfillment of security requirements. Basically, this convoy was more like a military transport than a humanitarian one.

The organizers of this convoy have declared several times that they will observe these conditions, but their declarations have not been fulfilled to this very day. Public opinion has been led astray, which is surprising because Poland is, and has been since the very beginning, ready to admit convoys that conform to basic legal and security requirements.

Germans 'Ignorant' of Facts on Soviet Convoys

AU0602191391 Warsaw POLSKA ZBROJNA in Polish 4 Feb 91 p 2

[Unattributed commentary: "Who Wants To Misinform German Public Opinion?"]

[Text] One hundred thousand Soviet soldiers will leave Germany this year, together with 1,000 tanks and self-propelled guns, 3,000 armored vehicles, and 100 airplanes and helicopters. They will vacate barracks in such places in the former GDR as Halle, Neuruppin, Sendal, Krampnitz, and Ohrduf. This decision, news of which has just been released in Bonn, was made at a meeting of the German-Soviet "working group for preparing and coordinating a planned withdrawal of the Soviet forces in Germany" in Strausberg on 24 January.

According to decisions made so far, the withdrawal of USSR units will take place with equal intensity in 1992 and 1993, and the last units will leave in 1994. The Bonn-Moscow agreement calls for the completion of the entire operation by then. A total of 16 divisions will leave the former GDR over the next four years.

The detention of Soviet transports by Polish border guards has been causing concern in Germany for some time. The WELT AM SONNTAG weekly says that "Poland's demands and reservations may, under certain circumstances, hinder the fulfillment of evacuation plans." In addition, writes the weekly, Poland is demanding "considerable fees for transit traffic," and because the USSR wants to adhere to its agreements with Germany, Moscow must conclude an agreement with Warsaw on this subject.

Let us remind our readers that German public opinion is generally ignorant of the motives behind the conduct of the Polish authorities, and thinks that Poland is interfering with the implementation of the German-Soviet agreements. Nevertheless, the German media have recently carried reports on Polish misgivings about improper markings on vehicles (in the case of humanitarian transports carrying gifts), or about the total absence of a transit agreement between Poland and the Soviet Union.

Council of Europe Membership Discussed in Warsaw

LD0602000791 Warsaw PAP in English 2256 GMT 5 Feb 91

[Text] Warsaw, Feb. 5—Poland's possible full membership in the Council of Europe was the key topic of talks held in Warsaw today by representatives of the Council of Europe, chairman of the committee of ministers of the Council, Spanish Foreign Affairs Minister Francisco Fernandez Ordonez and General Secretary of the Council Catherine Lalumiere.

Their visit to Warsaw is one of the legs in a four-day visit to 5 capitals of central and East Europe aimed at

determining the principles of cooperation between these states and the Council of Europe. These issues will be discussed by the foreign affairs ministers of the member states in Madrid on February 21.

Polish Prime Minister Jan Krzysztof Bielecki met with the representatives. "Poland is a pioneer in reforms among East European states," Ordonez told newsmen following the talks, adding: "Whether your country will become a member of the Council depends on holding free parliamentary elections. In the talks with the prime minister we pondered on the right moment in which Poland could be acknowledged as a full-rights member of the Council of Europe."

Lalumiere stressed that Poland has cooperated with the Council for some time now, without being a full member. Such cooperation exists in human rights, legal matters, culture and social affairs.

Fernandez Ordonez and Lalumiere also spoke with Polish Foreign Affairs Minister Krzysztof Skubiszewski. The sides discussed the international situation, mainly the situation in the Baltic states and the Gulf region. The issue of Poland quickly entering the EC structure was also discussed. Experts from both sides at the same time discussed the adjustment of the Polish legal system to European standards and aspects of cooperation between Poland and various European institutions.

"The European countries would like to see Poland in the Council of Europe as soon as possible," Ordonez told reporters at a press conference, recalling that last October the committee of the Council Ministers decided Poland would become a full-fledged member of the Council of Europe following free and popular parliamentary elections. "Poland is de facto a member of the council but it must meet the formal requirement of holding parliamentary elections," Ordonez pointed out.

Problems of Minority Community in Lithuania

LD0602135391 Warsaw PAP in English 1236 GMT 6 Feb 91

[Text] Warsaw, Feb. 6—A third force was waiting for a Polish-Lithuanian conflict and we all know what force it was, member of the Polish group in the Lithuanian Parliament and editor of the KURIER WILENSKI Zbigniew Balcewicz told a press conference in Warsaw yesterday.

He said that the recent developments showed that the use of force and dictatorship were the gravest dangers for all residents of Lithuania regardless of their descent. He opined that the opening of Polish schools and universities and making it possible for Polish community in Lithuania to use Polish as an official language were important steps helping strengthen Lithuania's independence efforts.

Walesa Says Free Lithuania in Europe's Interest

LD0602000691 Warsaw PAP in English 2301 GMT 5 Feb 91

[Text] Rome, Feb. 5—In an interview for the RAI-2 Italian TV today, Polish President Lech Walesa voiced a conviction that Lithuania's freedom was in the interests of all European countries. "We are concerned about how much time this will take and what price will have to be paid but the costs will have to be borne by everybody in Europe."

The Polish president is sure that the USSR will survive but time will show on what foundations. The more it will adhere to old structures, "the weaker and smaller it will become," "the more swiftly it adjusts to the new reality, the stronger it will become," Walesa said.

Reportage on Walesa, Delegation Visit to Italy

WA0602153091

For reportage on the visit by President Lech Walesa and Foreign Minister Krzysztof Skubiszewski to Italy and Vatican City, including reports on his talks with the pope, see the Italy and Vatican City section of the 5 February West Europe DAILY REPORT and subsequent issues.

Reportage on Bielecki Visit to Switzerland

WA0602155491

For reportage on the visit by Prime Minister Jan Krzysztof Bielecki, including his speech to the World Economic Forum, see the International Affairs and Switzerland sections of the 4 February West Europe DAILY REPORT and subsequent issues.

Official Queried on Destruction of Security Files

AU0602211991 Warsaw ZYCIE WARSZAWY in Polish 4 Feb 91 pp 1, 2

[Interview with Deputy Janusz Okrzesik, head of the Sejm Special Subcommittee for the Investigation of the Activities of the Former Military Internal Service, by Piotr Skwiecinski; place and date not given: "The Destruction of Counterintelligence Files—Not a Closed Matter"]

[Text] [Skwiecinski] A lot of time has elapsed since the scandal of the destruction of files belonging to the Military Internal Service [WSW]. The public knows nothing more about the investigation or proceedings against the guilty people involved....

[Okrzesik] The subcommittee that I head will complete its report before the end of February. After General Siwicki's dismissal the military authorities—unwilling to allow civilians access to such materials—ceased their obstructive behavior. One has to recall that one of the reasons why the Sejm National Defense and Administration and Internal Affairs Committees constituted the

subcommittee I head is the fact that the Ministry of National Defense was ignoring repeated calls asking it to provide details of the WSW. Deputy Rokita, head of the Special Committee for the Investigation of the Ministry of Internal Affairs, had repeatedly asked for this information.

Independent of the parliamentary investigation, the Warsaw Garrison Prosecutor is also investigating this matter. In my view the prosecutor's investigation is proceeding extremely slowly. It is now quite a long time since Deputy Minister Komorowski sent his findings on the personnel responsible. The prosecutor has had all the papers for the last four to five months.

No proceedings have been initiated against those guilty. I believe that the person responsible for this is General Stanislaw Zak, chief of the general staff's second board, and who is responsible for the military police and counterespionage. The people who are responsible for the destruction of the files are among his closest collaborators. I understand that the military authorities do not want to take steps before the conclusion of investigations by the prosecutor. How can one explain the fact that no officer guilty of destroying files has been reprimanded and expelled from the Army and that most of them are still in the Army and some have been promoted?

It is worrying that during the liquidation of the WSW and the creation of a military police and counterintelligence service, many "stubborn" officers were removed from those structures. For example, in Krakow no officer who was active in the creation of an association of professional officers "Garrison Krakow"—an organization which was classed as pro-"Solidarity" by some higher military authorities—is to be found in the new military structures. Quite often the higher ranks used the process of restructuring to get rid of inconvenient people who could be seen as potential competitors.

[Skwiecinski] Who is responsible for the destruction of files?

[Okrzesik] Verbal authorization was given by General Bula to Colonel Marian Wichrzynski, deputy head of the WSW. Wichrzynski supervised the whole operation. In the WSW headquarters, the people responsible were Colonel Mieczyslaw Kacprzyk, head of the third department of the fourth board and Colonel Stanislaw Glowka, head of the archive section. Additionally, Heads of all the WSW regional and services boards are also implicated.

The exception is the WSW National Air Defense Board, because its head did not carry out this illegal order which was totally contrary to archive regulations. Colonel Stanislaw Torebko, head of the Silesian Military District was the most zealous in carrying out this order. After the scandal came to light he was appointed military attache in Moscow. He was recalled from Moscow only recently.

The people who directly supervised this operation are thus well known. Nonetheless, there is probably another layer to this operation, just as there was in the Popieluszko case. I think that the people behind the affair are in the highest military and police hierarchy. One would not be wrong to put the political responsibility for this on former Ministers Kisz czak and Siwicki.

The affair has another dimension—namely, the destruction of military and special police service files started throughout the whole of the Eastern block at about the same time. One could be justified in suspecting that in a general sense the whole operation was supervised by the KGB.

We have information that leads us to believe that before the files were destroyed they were photographed onto microfilm. There is evidence to suggest that this information could still exist outside Poland. It cannot be ruled out that complete archives still exist to which we have no access. This would include dossiers of, among other things, all informers of military counterespionage. I do not have to explain what this could mean in terms of national security.

[Skwiecinski] Why were these files destroyed?

[Okrzesik] There are several reasons. One of these was undoubtedly the fact that the WSW was used to counter civilian political opposition. It was always active in this field, but its increased activity can be traced to the time when General Kiszczak became its head. When he was subsequently appointed to the Ministry of Internal Affairs, the WSW began to be used in strict cooperation with the Security Service [SB]. In the 1980's, the fight with espionage took a definite second place in the priorities of our counterintelligence services. Fighting the opposition came first, both in the Armed Forces and especially outside them. It was counterintelligence and not the SB, that carried out surveillance activity and arrested Wladyslaw Frasyniuk. There are other similar cases.

This activity was continued after the June 1989 elections. The last document I have seen is dated end of July 1989, and was prepared by Colonel Wichrzynski. It is about "an appraisal of the effectiveness of actions seeking to strengthen the operational positions within the political enemy." It is notable in that it describes the "positions" gained within the democratic opposition as well as the so-called radical groups of the coalition.

[Skwiecinski] "Operational positions" means, informers?

[Okrzesik] Yes. In 1989, military counterintelligence penetrated the Polish United Workers' Party allies. Our information leads us to believe that the WSW had about 30 "sources of information" in all political groupings. They were not, as far as concerns "Solidarity" and other old opposition groups, very highly placed people.

[Skwiecinski] There were rumors about surveillance of Walesa....

[Okrzesik] WSW was convinced that it had an informer close to Walesa. This was not true. No such informer

existed. He was thought up by one of the officers who wished to impress his superiors. We know of other such cases.

[Skwiecinski] Did the WSW activity against "Solidarity" and other opposition groups continue after the formation of Mazowiecki's government?

[Okrzesik] We have no evidence of it. I personally believe that such activity went on and only came to an end when civilian deputy ministers were appointed to the ministry. Our information would indicate this.

[Skwiecinski] Was the destruction of secret files only meant to hide the fact that the WSW acted against the opposition?

[Okrzesik] No. It was also to hide traces of financial scandals in which the directors of the WSW, with General Bula at their head, are implicated; for example, the fate of the so-called deposits, namely, property taken by the WSW during searches and arrests, their use of real property for private aims and other shady deals starting with hunting trips organized by the ministry. The Supreme Chamber of Control will investigate all this.

Materials from military intelligence in the 1950's—of great historical importance—were also destroyed. The file destruction program was very wide ranging. For example, in the Krakow Garrison, this meant that all files on secret counterintelligence informers (about 200 in total), all correspondence files on political operations, were destroyed. About 100 operations cards on people from military circles who were suspected of pro-"Solidarity" views or who were favorable to the church, were destroyed. If there was information that such-and-such officer was listening to Western radio stations it was sufficient grounds for the opening of a file on him. Files containing summaries of past operations, the range of individual WSW officers' duties, security plans of individual Armed Forces units during papal visits, were also destroyed.

[Skwiecinski] In your view can our democratic authorities fully trust our military intelligence?

[Okrzesik] This would be premature. One cannot exclude the possibility that there exist personal ties between certain officers and the KGB and other special services of the Warsaw Pact states. From our information, it is clear that our allies carried on intensive and free activity in Poland. Soviet advisers were always in the WSW and made use of the information available there. The former GDR Stasi was very active in Poland.

That is why there must be personnel changes in military intelligence. It will necessarily be a long-term process, because these type of services cannot simply be dismantled and built up from scratch. I hope that the work of my subcommittee will assist in this continuing process of change, which will bear fruit in a couple of years. In the transition period it will be necessary to impose some kind of civilian and political control over the activity of the military and special services. The final goal is to make them subservient to a civilian leadership that controls the structures of the Ministry of National Defense.

Senate Official Queried on Defense Budget

AU0702094191 Warsaw POLSKA ZBROJNA in Polish 4 Feb 91 pp 1, 2

[Interview with Senate Deputy Speaker Andrzej Wielowieyski by Janusz Grochowski; place and date not given: "Maintaining A Defense Capability Costs Money"]

[Text] [Grochowski] During the Senate debate on the budget, you voiced misgivings about the size of defense spending.

[Wielowieyski] But I did not say that the Defense Ministry budget should be increased or reduced, although under the present circumstances at home and abroad there is no doubt that the Republic needs strong, efficient armed forces to protects its basic interests and the people's lives. The fundamental problem for our Parliament is what criteria we should adopt when deciding on the extent of our nation's defense effort. Unfortunately, we do not have satisfactory guidelines for this. Therefore we have settled on a survival defense budget.

[Grochowski] But this idea has already been in force for years. All it means is cuts in defense spending to the point of absurdity.

[Wielowieyski] Perhaps I should have used a better term. All that "survival" means is that we do not know how much we should spend on defense in view of the present dangers and tasks, whether we should spend 10 trillion zlotys [Z], Z20 trillion, or maybe Z40 trillion. The document adopted by the National Defense Committee is so superficial that it contains no guidelines for us on which to base our decisions.

[Grochowski] It was adopted during a period that was full of unknown quantities.

[Wielowieyski] Yes, but there are fewer of them now. Now it is certain that we will shortly leave the Warsaw Pact, that we are creating completely independent Armed Forces, and that we ourselves can decide from what direction we can expect dangers; therefore, Polish defense doctrine must change radically. Yet we do not even have the shadow of a new defense concept. Although the military authorities—the General Staff and Defense Ministry—are applying common sense and changing the organization of the Army, the deployment of units, types of weapons, and training, all this is still superficial. We think the matter requires fundamental tidying up.

[Grochowski] The previous government presented the main paths of change to the Polish Armed Forces.

[Wielowieyski] Yes it did, as far as numerical reductions, greater mobility, adaptation to new requirements, and

increasing its defense potential to an essential degree are concerned. These are very general guidelines, and no operational tasks for the Army can be worked out on the basis of these. It is, therefore, urgent to specify exactly what kind of danger we should be prepared for, whereby defense should not just be viewed in military terms, but also in economic or environmental terms. In other words, defense should be applied to anything that can endanger our lives. Unfortunately, there is no such defense concept. Therefore we have no basis on which to judge whether or not more or less equipment should be purchased, and whether new units should be created or existing ones disbanded. A system of priorities must be worked out, and changes to the Army will be made on this basis. We in Parliament will assess this and reach the decisions we are supposed to make, including the size of the defense budget.

[Grochowski] Who do you think should work out this defense concept?

[Wielowieyski] That is not the most important matter. It is working tasks that are important. A small team of politicians and military experts is required. It would submit to the president and government concepts concerning thorny defense and security issues. There should be no military people in this team, but the team should avail itself of the Army's opinion.

[Grochowski] Do you prefer such a working team or a presidential security council?

[Wielowieyski] The president is certainly going to need an advisory body on defense and security matters because he is responsible for them. Furthermore, a body to coordinate these matters at government level also seems essential. The relationship between these two bodies is a problem that has to be solved, but this has to be done in accordance with the Constitution, without undermining the role of the government.

There are two other matters which have to be considered. I think one ought to examine the defense policies of other countries, especially neutral ones, taking into account of course the differences between their situation and prosperity, and ours. In addition, we must bear in mind that maintaining a defense capability costs a lot of money. It is more expensive for Poland than for other countries. In the West, defense spending takes up no more than 3 to 4 percent of the national income, whereas this year's Polish Army budget, following the Z23.5 trillion cut imposed by the Council of Ministers, will amount to almost 5.5 percent of our national income.

[Grochowski] But our national income cannot be compared to that of other countries.

[Wielowieyski] The fact is that just before the war, when funds were very limited and economic development low, out budget amounted to Z800 million and the proportion of it that we sent on the Army was two to three times greater than the proportion other European countries spent on their armies. At that time, such a level of spending was really essential, justified by our geopolitical situation and the European situation in general, even though it was far from enough. Today, although Poland's situation is the same, the European situation is not. That is why one of the working teams's most important tasks, apart from identifying the dangers and indicating tasks for national defense, will be to protect the economy as much as possible. We must not forget that the secret behind the surprising economic development of the FRG and Japan is that their budgets have not been excessively burdened with defense. For many decades, defense spending in Japan was less than one percent of the national income.

[Grochowski] You recently conveyed to President Walesa a Senate stance on the subject of the country's defense and the paths of change that should occur in the Armed Forces.

[Wielowieyski] I said almost the same things as I have said to you. The matter is supremely important, and the president accords the proper amount of attention to it, as well as displaying great concern. He has already appointed a body of people to organize a military section in the presidential office. I am convinced these issues will be tackled soon, and effectively, too.

Bielecki Chairs Council of Ministers Session

LD0502225391 Warsaw PAP in English 2122 GMT 5 Feb 91

[Text] Warsaw, Feb. 5—The Council of Ministers held a meeting today presided over by Prime Minister Jan Krzysztof Bielecki and devoted chiefly to agrarian policy in 1991.

The government decided to appropriate 2.3 trillion zlotys (230 million dollars) to assist farmers through low-interest credits.

In order to protect domestic producers of foodstuffs against unfair competition from abroad consisting in the inflow of highly- subsidized commodities, the government plans to boost anti-dumping and anti-subsidizing procedures. New customs tariffs will take effect in the middle of this year with a view to protecting the domestic market to a greater extent while upholding competition to the benefit of consumers.

Key importance is attached to structural and ownership transformations from the point of view of the strategy of the changing Polish agriculture. The government thought it urgent to give farmers access to preferential shares of agriculture-related enterprises. Appropriate legal regulations will serve this end.

Preparations are also under way to demonopolize state grain mills and the Polmos alcohol producer. Big state-run farms and farming-industrial complexs are to be broken up. Enterprises of the sugar, meat and fruit-vegetable industry are to be privatized. This applies to state farms (PGR), too.

The Council of Ministers empowered policy for this year to the Sejm (lower house).

The Council of Ministers acquainted itself with the course and outcome of the visit of prime minister Jan Krzysztof Bielecki to the World Economic Forum in Davos, with the results of talks between Deputy Prime Minister Leszek Balcerowicz in Paris, Strasbourg and Brussels and the negotiations with the International Monetary Fund.

The government stated that Poland should not be burdened with the Multi-billion debt if it is to integrate with the European Community. Any possibility of reducing the debt hinges on Poland's successful cooperation with the International Monetary Fund which in turn requires consistency in the implementation of the Polish reform program.

The government set the ratio at which wages can increase without penalty taxes to keep pace with price increases of consumer goods and services in February at 0.6.

The Council of Ministers also acquainted itself with a report of Labour and Social Policy Minister Michal Boni on preparations for talks between the government and Solidarity and the OPZZ trade union alliance on the social and economic situation in the country, to take place on February 8-9

The government also adopted a draft law on dismissing state- appointed employees. In practice this regulation is to uphold the previous law which expired at the end of January, for a further 6 months, since March 1. The move is necessary to complete an assessment of the employees.

The Council of Ministers was informed about the decision to deprive all former high-ranking state officials of government telephone lines which they continued to have in their homes. Such lines were also cut off between the government network and the Soviet Embassy.

The Council of Ministers acquainted itself with the directions of transformations in Polish radio and television, approving the plans of the Radio and Television Committee chairman.

PAP Continues To Reform, Modernize

LD0502104491 Warsaw PAP in English 2100 GMT 4 Feb 91

[Text] Warsaw, Jan. 4—In connection with the statement of the government press spokesman at a press conference today, referring to the Polish Press Agency, the agency stresses that the reform and modernization initiated several months ago is a process which requires time before the effects are clearly visible.

There is no doubt that more organizational changes are necessary. They are being introduced gradually. Work has been started on a draft project of finding a different place for PAP in the new information system, something Prime Minister Bielecki mentioned recently.

More Newspapers, Press Titles Sold

AU0602123591 Warsaw RZECZPOSPOLITA in Polish 2-3 Feb 91 pp 1, 2

[Tomasz Rogulski report: "TRYBUNA Sold"]

[Excerpts] TRYBUNA, CHLOPSKA DROGA [PEASANT ROAD], and ZYCIE ZYRARDOWA [LIFE OF ZYRARDOW], three titles that were formerly part of the "Trybuna Ludu" publishing house, have been sold to the "Ad Novum" (formerly "Belfra") company, which represents the Social Democratic Party of the Republic of Poland [SDRP], for 1.25 million zlotys [Z]. The English-language weekly WARSAW VOICE has been sold to the "Warsaw Voice" company, set up by that paper's editor in chief, for Z300 million. WIADOMOSCI SKIERNIEWICKIE [SKIERNIEWICE NEWS] has been sold to Ziemowit Janowski, owner of a television station being built in the vicinity of Skierniewice, for Z100 million. Of the eight offers received for the Katowice evening news WIECZOR [EVENING], the Liquidation Commission of the Workers Publishing Cooperative has decided to sell WIECZOR to the "Akapit" company, consisting mainly of that paper's staff, for Z1.5 billion.

On Friday, 1 February, bids for six more titles were invited. Two offers were made for DZIENNIK BALTYCKI [BALTIC NEWS], for which the "Kadex" company and the paper's journalists offered Z16 billion. [passage omitted]

Six firms are also competing for GLOS WYBRZEZA. The highest offer is from the "Racom" company for Z5.2 billion, [passage omitted]

The staff of GAZETA POZNANSKA objected to the sale of this paper to the Industrial and Trade Chamber of Wirlkopolska or the "Nowis" company, which, according to its editor, is linked to the Christian National Union. [passage omitted]

Dismantlement of Warsaw Pact Favored

AU0602193591 Bucharest ROMPRES in English 1850 GMT 6 Feb 91

[Text] Bucharest, ROMPRES 6/2/1991—Romania is for the dismantlement the soonest, by the middle of this year, of the Warsaw Treaty's military structures, shows the Romanian Foreign Ministry statement released on February 6 in the evening.

To take the necessary steps to this end, an extraordinary meeting should be called the soonest, of the Consultative Political Committee of the Warsaw Treaty, the statement reads.

The radical changes in Europe in the last one-and-a half years, shows the statement, have brought about a new situation and new realities in the continent, that differ basically from the previous period, realities that were consecrated in documents of historical importance signed by the heads of state or government during the CSCE Paris summit last November.

By these documents, the states participant in the two military alliances in Europe—the NATO and the Warsaw Treaty—solemnly declared that they ceased to consider each other as opponents and would collaborate from now on as partners, together with the other nations participant in the CSCE process, for the consolidation of security of all countries in the continent and the development of a broad cooperation among them, in view of ensuring their progress and consolidating economic and political stability in this important part of the world.

These states also committed themselves unequivocally not to use force or threat of force, no matter the reason, in the space between the Atlantic and the Urals, as well as on an international plane, generally, and settle all their disputes peacefully.

Likewise, a treaty on conventional forces in Europe was signed at the Paris summit. The treaty signatory states also covenanted to continue negotiations in view of concluding new accords on further reductions of effectives and arms in Europe.

The 34 CSCE states endorsed in Paris the new accord on additional measures of building up mutual confidence, as an essential factor of strengthening security and stability in Europe.

As a synthesis of these developments, the Paris charter for a new Europe solemnly proclaims that "the era of confrontation and division of Europe has come to an end," that from now on the relations among the 34 CSCE participant states will rely upon regard and cooperation, and that a new era, of democracy, peace and unity in Europe has been ushered in.

As early as last June, the Consultative Political Committee of the Warsaw Treaty states decided the setting up of a special commission to draft proposals for a reconsideration of all aspects of the treaty's activity.

As for ourselves, the statement shows, we should mention that Romania's participation in the military activities of the Warsaw Treaty was limited. It is more than 20 years now since Romania has not participated in drills with troops in other states' territories, had not and has not foreign troops stationed in its territory, nor has it allowed for exercises with foreign participation in its own territory. Worth mentioning is that Romania did not participate in the military intervention in Czechoslovakia, in 1968.

Romania was the only country in the treaty's membership not to accept the 1980 regulations endorsed by the other countries regarding the single command of the joint Armed Forces in case of war.

Defense Council Examines Effects of Gulf Conflict

AU0602195291 Bucharest ROMPRES in English 1905 GMT 6 Feb 91

[Text] Bucharest ROMPRES 6/2/1991—The Wednesday, 6 February meeting of Romania's Supreme Defence Council examined the consequences for Romania of the latest military and political developments in the Persian Gulf. The government submitted the latest assessment of the losses the Romanian national economy has had to bear as an effect of the Gulf conflict. The council approved measures to diminish losses.

With a view to preventing consequences likely to derive from a possible escalation of the conflict, the council requested the government to firmly enforce the measures provided for by the law of civil defence.

The council also analysed the recent course of the political and military relations at a general European level and within the Warsaw Pact.

The direct losses suffered by the Romanian economy as a consequence of the Gulf conflict amount to 2.9 billion dollars, to which indirect losses caused by diminished exports, slacking industrial production and others, should be added.

Among the measures decided for reducing losses are: interventions with international organisations for compensations, requests for credits apt to keep the national economy running under the new circumstances and the elaboration of a national strategy to become operational if the Gulf conflict lasts or extends to other states in the area.

Economic Losses Detailed

AU0602215991 Bucharest Domestic Service in Romanian 2000 GMT 6 Feb 91

[Excerpts] Mr. Ion Iliescu today chaired a meeting of the Supreme Council for the Defense of our country. Senate President Alexandru Barladeanu, Deputies' Assembly President Dan Martian, Communications Minister Andrei Chirica, and Nicolae Oproiu, general mayor of Bucharest, attended the meeting as guests.

The meeting examined the consequences for Romania of the latest political and military developments of the Gulf

crisis. In this context, the Romanian Government's assessment on the losses suffered by the national economy because of the Gulf conflict were presented and measures for lessening these losses were endorsed.

The Ministry of Foreign Affairs reported on diplomatic steps taken at the international level to solve the Gulf conflict and the Ministry of National Defense reported on the current developments of military operations. [passage omitted] The contents of the Foreign Ministry Statement in this respect was endorsed and reads as follows:

Assessment of losses suffered so far by Romania's national economy because of the Gulf conflict and measures that are necessary to decrease these losses:

Direct losses: Non-recovery of debts from Iraq totaling $1.7 billion.

—Losses because of an increase in crude oil prices from $17.5 a barrel up to $30 a barrel for which a difference of $560 million was paid for crude oil imported up to 31 January 1991.

—Losses suffered through failure to provide raw materials for such branches of Romania's national economy as aluminum, medicines, and light industries, something that led to the procurement of these products from other markets and at higher prices or to a decrease in our domestic production.

—Failure to export to Iraq the products stipulated in our contracts with Iraqi companies totaling $75 million.

—Losses suffered because of cessation of some projects under way and because of blocked Romanian equipment in Iraq totaling $525 million.

—Failure to fulfill Romania's exports contracts with that country in form of economic projects and commodities exports totaling approximately $500 million.

The total of these direct losses, which does not include losses caused by the change of crude oil prices and the prices of other raw materials that we used to import from Iraq, amounts to $2.9 billion.

Indirect losses: Losses of the national economy because of failure to ensure raw material supplies or because of procuring them under new conditions for higher prices.

—Reduction of the energy capacity.

—Reduction of outputs in various industrial sectors.

—A decrease in Romanian exports and in Romania's payment resources.

—Lay-off of labor forces with social consequences.

—Withdrawal of Romanian personnel from Iraq, a fact that also had undesired social effects.

All these losses are to be assessed. [passage omitted]

* Tokes Condemns Romanian, Hungarian Extremists

91BA0180A Bucharest ADEVARUL in Romanian 15 Dec 90 pp 1, 3

[Interview with Pastor Laszlo Tokes by Andrei Alexandru; place and date not given]

[Text] [Alexandru] You are the bishop of Oradea? How do you happen to be in Timisoara now?

[Tokes] I was a priest in Timisoara, and because the revolution started here we too decided to make our religious contribution to the commemoration of the first anniversary of the revolution. In fact, on 14-15 December we organized a world ecumenical conference on reconciliation of nations and creeds to which we invited representatives of the churches of six neighboring countries.

[Alexandru] In the daily ROMANIA LIBERA for 21 November you declared, "It is the only way to bring about a change in government. A revolutionary transformation like the one in December is necessary." You said that your statements published in some foreign newspapers were distorted. Did ROMANIA LIBERA also obscure the truth?

[Tokes] I cannot say that because I have not read that issue of ROMANIA LIBERA, but I presume that daily presented what I said objectively.

[Alexandru] In that case you are contradicting yourself. On the one hand you consider your statement in ROMANIA LIBERA factual, but on the other hand you contest the statement published in 7 DAYS, a supplement of the daily CORRIERE DELLA SERA, according to which you said, "Even if I cannot go, I shall lead a second revolution in Romania. If I remember correctly, you even denied granting any interview to that publication. What are the facts?

[Tokes] I made such statements, but CORRIERE DELLA SERA distorted them. I maintain that the process that began in December must be continued. We need a permanent revolution, but I must specify that I did not mean a popular revolution or a bloody one. To me, as a bishop, the revolution means a change of attitude, of mind, and of social structures, but I am not alone in wanting that. The government, which claims to be a continuer of the revolution, should want a revolution of this kind.

[Alexandru] But what if the government does not want it?

[Tokes] We must use our political methods. An approved demonstration is a political tool if it is conducted peacefully, and it can be the basis of a dialogue.

[Alexandru] Do you like the contribution?

[Tokes] Yes.

[Alexandru] In a contest between Romania and Hungary, whose side are you on?

[Tokes] On Hungary's side. There is a spiritual affinity there, and I have never made a secret of it.

[Alexandru] You are a man with some popularity and in a way a spiritual leader. What do you think should be done at this point?

[Tokes] I have lost much of my popularity and my capacity as a spiritual leader. For example, the Timisoarans did not elect me to the Senate although I was a candidate. A social and national reconciliation is necessary now because of a propaganda campaign that has distorted the facts. If there had been a dialogue with the trade unions and the opposition it would not have come to this, but the administration was satisfied with appearances and promises.

[Alexandru] Do you want to bring an action against the Italian publication 7 DAYS?

[Tokes] Yes. An hour before the telecast of Mr. Vacaru's proposal made in the Senate, I thought that would be the legal way. I am anxious to start the proceedings, but I am very busy with the diocese and the press. I will make this action public when it begins.

[Alexandru] What do you think of President Iliescu?

[Tokes] I do not think it is correct or right for us to say that the NSF [National Salvation Front], communism, the crisis, and all the evils are Iliescu's fault. The political situation is much more complicated. We cannot simplify matters. I had a very good impression when I knew him and as long as I was in direct contact with him. In a way I provided favorable propaganda for him in the United States. The events in June disappointed me about Iliescu. I kept wondering, "who is obstructing Iliescu, who is a humanist and a popular man?" My colleagues were angry with me because I tried to explain him more fully abroad. I waited and believed in Iliescu.

[Alexandru] You no longer believe in him now?

[Tokes] Now I believe he no longer has any power, that he is influenced, and that he is compromising with some forces or is held in check by them. I do not even know those forces, but I suppose they are of the "Romanian Homeland" kind.

[Alexandru] Would you like to be a minister?

[Tokes] No. For example, in the UDMR [Democratic Association of HUngarians in Romania] they tried to persuade me to run for president. I do not want to be a professional politician. The politics that I practice are on the moral level. Our (of Hungarian nationality—Editor's Note) priests, poets and writers have been political leaders, too.

[Alexandru] Is it true that President Bush, in the interview that he granted you, declared that he will apply sanctions to Romania unless the Hungarian minority is accorded the rights they had in Carol II's time?

[Tokes] No, it is a lie! Mr Bush did not say very much and, in general, he does not make statements so lightly.

[Alexandru] Is it true that on 21 August you told the journal AMERICAI MAGYAR NEPSZAVA that "The national affiliation of Transylvania is a problem that should be discussed by Romania and Hungary?"

[Tokes] It is a lie. The Hungarian extremists made me pro-Romanian, and the Romanian ones made me pro-communist. My political credo is that of Titulescu, "Spiritualize the frontiers."

[Alexandru] Was the accident you suffered an attack?

[Tokes] No, it was an unavoidable accident.

[Alexandru] What do you think of the state of the Hungarian minority now, compared with the Ceausescu period?

[Tokes] It is much better. My right to fight for political and cultural interests is recognized. We have regained institutions that had been taken away from us and we have freedom of the press, but we would also like to have higher education in Hungarian.

[Alexandru] Has the population of Hungarian nationality suffered physical attacks?

[Tokes] There have been sporadic, unimportant cases. But there is a fear, a psychosis inculcated by the extremist press.

[Alexandru] What plans have you for the future?

[Tokes] My first duty is to reorganize the rebirth of the reformed church. The former bishop was a traitor who sold himself to Ceausescu for some privileges.

[Alexandru] Tell me whether you are pressured to do things you do not want to do.

[Tokes] I am pressured to return to my flock and not to engage in politics (the Romanian nationalist press). On the other hand I have been asked to engage more in politics: "Come on, Laszlo, we need you. You still have a name." But I do not want to. For example, I did not agree to be president of the UDMR, and when Mr Minzatu asked me to enter into an alliance with him because his mother, Margit Biro, I refused him. In general, I do not accept extremism. Nor an I thinking of changing the frontiers. We would have to bring 7 million Romanians into Hungary. That is an absurdity imagined by the extremists.

[Alexandru] Thank you.

Author's Note: Contrary to custom but in keeping with the fame of the resondent, I permit myself to express my personal impression after this first meeting. Willingly or not, Pastor Laszlo Tokes joined the plot against Ceausescu. Willingly or not, he was one of the elements who started the revolution in December. Now he seems to be a man overtaken by his own reputation. He would not want to antagonize anyone and perhaps for that very reason he antagonizes many. When he was invited abroad in the midst of the Hungarian emigration he made statements to please his hosts, and when he was in Romania he retracted them. He would like to get out of the game but he cannot. Many will make use of his name. Perhaps God will show him the right course.

UVR on Cut in Hungarian TV Broadcast Time

AU0602195191 Bucharest ROMPRES in English 1900 GMT 6 Feb 91

[Text] Bucharest, ROMPRES, 6/2/1991—In a press release, the Cluj branch of "Vatra Romaneasca" Union [UVR] made known its stand as regards the protest of the Hungarian Democratic Union in Romania against the restructuring of the program of the Romanian television. The release states that in this restructured program the Hungarian minority in Romania is privileged as far as the broadcasting time is concerned as against similar situations anywhere else in the world.

For instance one third of Cluj TV station program is broadcast in Hungarian. After suggesting that much of the broadcasts in Hungarian should be devoted to teaching the Romanian language, the release concludes: "The Hungarian Democratic Union of Romania should be concerned not only with the broadcasting time but also with the contents of the TV broadcasts in Hungarian and see to what extent they promote concord between the Romanians and the Hungarians and respect towards their unique homeland and towards the Romanian people."

Senate Discusses Controversial Points of Land Law

AU0602190391 Bucharest ROMPRES in English 1725 GMT 6 Feb 91

[Text] Bucharest ROMPRES 6/2/1991—The Romanian Senate validated, in its Wednesday session, the parliamentary mandate of Prof. Constantin Barbulescu, rector of the Bucharest Academy of Economic Studies, the new senator was co-opted into the Senate's Economic Commission.

The agenda included the report of the mediation commission on the controversial items of the land bill, left pending for settlement. 65 articles of the 91 subject to mediation were debated until adjournment time. The plenum will resume Thursday morning, 7 February.

* New Law on Gendarme Force Advocated

91BA0220B Bucharest DIMINEATA In Romanian 4 Jan 91 p 2

[Fl. Radulescu-Botica article: "There Is No Shield for a Soldier's Soul"]

[Text] The tyranny of confusion. Among so many other sad legacies, the tyranny bequethed to us a tragical inversion of values. Even in the confessional the faithful used to prudently amend their confessions in the grips of the fear of the omnipotence of hidden microphones, more afraid of them than of celestial judgment. Because God may forgive, but the omnipotent deities of terrestrial power never forgave anyone anything. Our memory is only too full of the poisoned sap of this gigantic hoax, manufactured with demented precision for decades on end, so there is no point in bringing further examples. The main thing is to restore things to their due place in their natural order and to tear the veil of truths invaded by lies and of lies born to be placed on the pedestal of truth. The main thing is to demolish the tyranny of the confusions that haunt our thoughts and seem to erupt from our unconscious. We must admit it without guilt feelings, because we have been the victims of a hell and the guinea pigs for an extraordinary inversion of values.

The same garrisons, a new and noble flag. I am at the Gendarmery Command, enjoying the warm sympathy of my hosts. This is undoubtedly due to my profession, because all those around me, troops and officers, ardently wish and hope that the world will find out their beliefs and the true image of their work, the truth about their lives dedicated to soldierly duties. A new, noble flag is flying above the old garrisons, and nothing is more painful for those who serve it than the confusion over their mission and the distortions designed to forever parade the ghosts of the past.

Here—and I am not reluctant to reveal where—on the turf formerly ruled by "Nicolae II," the fanatical oppressor of intercontinental revolutionaries, the dictator's good brother, there used to be a notorious securitate school. Independently of anyone's wishes, this will remain a painful landmark in history. The past is still weighing on people. All the more heavily as it may be unjust. To prove that, my interlocutors involuntarily resort to disassociations that have now become meaningless and to explanations with which we are all familiar. They feel an irrepressible need to clearly assert their new moral and professional identity as soldiers, as sons of the country, and as destinies of mere citizens. These are young enlisted men whom happenstance brought to the gendarmery and to doing their military service in these garrisons filled with the shadows of a terrible past. But what is their crime? No one could accuse the officers of anything either, since their presence at the hot points of the battles of December 1989 was often decisive for the victory. During these sad days of commemoration of heavy sarifices they, too, mourn their comrades killed on duty at the television station, at Otopeni Airport, or at Ghencea... At the time 52 young lives were mowed down and 59 men were wounded.

Who are the gendarmes of today? Notwithstanding what is legally stated in files and what is being said under the malefic influence of aggressive ignorance, inertia, or resistance to the new realities or even worse, under the influence of treasonous pieces of silver, their mission is easy to state: to defend public order and peace and the legal state. The troops are organized, according to an old Romanian tradition, in structures similar to the ones in the Army. Nevertheless, the gendarmery is not the same thing as either the Army or the police; it constitutes a distinct military force with precisely defined duties. Essentially, it is in charge of protecting the country's democratic institutions and of course of intervening when these are placed in jeopardy by the pressure of street demonstrations against the state order and when the capability of the police is overtaxed. We put this duty at the head of the list because it constitutes the gordian knot of distortions aimed at staining the emblem of the

new corps. Where in the world is the situation any different and where is any country's life left at the mercy of people who disseminate violence and hatred and aggression against constitutional order under the "shield of democracy?" According to the logic of evil—because such a carcinogenic logic does exist, too—those who operate according to the "right to anarchy" can only view the defenders of the state as their deadly enemies.

What are other duties of the gendarmery? There are quite a few, of course, namely guarding installations of major national importance day and night, and participating in preempting, neutralizing, and liquidating terrorist and diversionist actions inside the country.

Who are the gendarmes of today? "Who" they are is clear to those against whom they are dutybound to fight. This is the cost we have to pay at a time when unfortunately, the meaning of authentic democracy is still unclear to more than a few people. For the many however, for the majority of this country's citizens, the situation is clear. Except that unfortunately, they seem in no rush, like anybody intent on his own work, to keep repeating their views as do the others, the street politicians on their soap boxes at every corner. That is why my interlocutors—among them Colonels Izidor Hogos and Panait Panait, Majors Eugen Pop and Castan Stefanescu, and First Lieutenants Ion Soare and Lucian Pahontu—reiterated the general hope that soon the parliamentary commission that is examining the activities of the Interior Ministry troops will wind up its mission and present to the public the moral rebirth of these troops who have a right to enjoy our complete trust and respect. Similarly, we need to speed up the promulgation in Parliament of a law on the organization and operation of the Gendarmery as an indispensable act of investing it with social authority and as a means of precisely outlining its specific duties and the areas in which the Gendarmery may have to interact with the Ministry of National Defense, the Romanian Intelligence Service, and the Police.

The path we are following—learning again the rigors of a legal state—is enveloped in the fog of many confusions. Historically this is normal, but humanly it is painful. An acute lack of criteria is still mercilessly affecting our evaluation of what is good and what is evil, what is just and what is unjust. In the meantime, like all the young men serving under the national flag, the young gendarmes with their clean conscience hope that the veil of mystifications hurting their dignity will be lifted.

Because a shield may protect one's chest, but not one's soul...

Government Takes Measures for 'Rational' Fuel Use

AU0602184291 Bucharest ROMPRES in English 1641 GMT 6 Feb 91

[Text] Bucharest, ROMPRES 6/2/1991—Romania's Government has decided on measures on consumers' motivation in the rational use of natural gas, electricity and heat. The decision forbids the economic agents to consume more than the amounts stipulated in contracts of natural gas, electricity and heat. If the contracted amounts are topped, there will be penalties. If production possibilities no longer allow for the supply of the economic agents that top their contracted amounts, the supply will be desisted with a notice of five days.

For the gas, electricity and heat consumption lower than the contracted amounts, the suppliers will give the economic agents bonuses worth one percent of the prices approved for every one percent of lesser consumption.

The decision stipulates that the economic agents that have their own free currency resources may contract from import—in view of turning out more exportables for foreign currency or products for the home market paid for only in lei—through the agency of the suppliers, additional amounts of gas and electricity, as compared with what was established in the contracts, inside the material balances.

The penalties raised following the application of the present decision shall be turned to the state budget and used only for financing projects to cut down energy consumption, the expansion of the uses of alternative energy resources.

'Acute Energy Crisis' Described

AU0602193291 Bucharest ROMPRES in English 1855 GMT 6 Feb 91

[Text] Bucharest, ROMPRES 6/2/1991—The weekly meeting of the government took place on February 6, presided over by Prime Minister Petre Roman.

The meeting started with an account presented by the prime minister on the participation in the works of the Council of Europe in Strasbourg, the contacts in Paris and in the World Economic Forum at Davos. The government endorsed the necessary decisions for what had been covenanted on such occasions to yield fruit.

Then, Mihai Zisu, minister of resources and industry, presented a report on the current and long-run energy situation of the country.

In order to cope with the acute energy crisis the country is faced with and to meet the population's consumption requirements, it was decided that 92 units and 190 industrial installations in metallurgy, chemistry, petrochemistry, machine-building and furniture should be stopped for two months, while the 247 thousand persons made redundant shall be ensured adequate social security according to the law.

It was also decided that by negotiations between the national electricity company and the commercial companies concerned, the non-stop three-week work system should be applied, followed by a total break of activity for one week monthly.

The immediate earmarking of additional funds worth 135 million dollars was endorsed, for the import of the strictly necessary technical-material base for the oil, gas, lignite and pit coal industries, that should allow for the

fast refloating of the daily production in those sectors. A long-run program was also endorsed for investments in fuels and electricity.

The government endorsed the proposals of the Ministry of Commerce and Tourism and of the Ministry of Finance regarding the commercial and foreign payments balance of the country in the first quarter of the current year, as well as the modalities to make up, from external resources, for the envisaged balance deficits.

Government Blamed for Economic, Social Situation

AU0602184991 Bucharest ROMPRES in English 1657 GMT 6 Feb 91

[Text] Bucharest, ROMPRES 6/2/1991—The National Union Cartel "Alfa" blames Romania's economic and social situation on the government that has not implemented the programs established and has not ensured an efficient market economy.

The government is also charged with having created a state of confusion as concerns the ownership of the national capital, for people being even less interested in work, for the income of certain segments of the population having increased although the production of goods has not grown accordingly, reads a release of the Union Cartel 'Alfa'.

The government's program for the current year is criticized for having caused the worsening of the population's economic and social condition as a consequence of further liberalizing prices, increasing the number of the unemployed etc.

After having analyzed various ways of privatization, of getting rid of the communist structures and advancing on the way to democracy and prosperity, the 'Alfa' Cartel maintains that the solution it has proposed—the distribution of the accumulated capital to the population, would have led to prosperity, hadn't the government rejected it.

The communique says the "Alfa" Union opposes any actions that would diminish the purchasing power of the employees and the pensioners or lead to the unjustified sacking of a union member.

The "Alfa" Cartel asks the parliament to analyze as soon as possible the economic and social situation of Romania and to take the necessary measures to improve it.

Loncar: No Insistence on Gulf Cease-Fire

LD0502143891 Belgrade TANJUG Domestic Service in Serbo-Croatian 1345 GMT 5 Feb 91

[Text] Belgrade, 5 Feb (TANJUG)—We are under no illusions that we can offer a magic formula or offer a solution that everyone will accept. The Gulf war has in fact entered a phase where no one wishes to risk or take a step that would weaken him. There should be no insistence on a cease-fire, therefore, but a diplomatic action should be launched for a peaceful resolution of the crisis, which also means the removal of the causes that led to it. Federal Secretary for Foreign Affairs Budimir Loncar stressed this in today's speech to the Yugoslav Assembly Foreign Affairs Committee. Regarding the latest initiative of the nonaligned countries for a peaceful resolution of the Gulf crisis, Loncar said that in the middle of this month (11 and 12 February) the foreign ministers of 15 member countries of the movement will meet in Belgrade. Loncar also recalled that Yugoslavia, as chairman of the movement, has hitherto been actively involved in finding a way out of the crisis.

The federal secretary recalled that a series of initiatives by some members of the movement (Algeria, the Maghreb countries, India, and Iran) have been unsuccessful. He added that Yugoslavia, as chairman of the movement, is unable to halt the negative course of events, above all as a result of the obstinate stance of Iraq.

It is expected that the meeting in Belgrade will bring together the foreign ministers of the countries that formerly were chairmen of the Nonaligned Movement, as well as ministers from the regions of Africa, Asia, and Latin America. It is expected that the question of the convocation of a conference on security in the Gulf will be initiated, that there will be talks on controversial questions in the region, and on the existence and withdrawal of foreign troops, which, it is assessed, would create the conditions for the beginning of the resolution of the crisis in the Middle East.

Drnovsek Says 'Essential Problems' Remain Open

AU0602204291 Ljubljana DELO in Slovene 31 Jan 91 p 2

[Jana Taskar report: "No Prospects for Arriving to Agreement on Yugoslavia's Future Soon"]

[Text] Ljubljana, 30 Jan—The SFRY Presidency will hold an expanded session tomorrow at which it will continue its discussion on the Yugoslav crisis and the country's political future, which was opened on 10 January. Attending the session will be presidents of the republics and provinces, as well as the presidents of the SFRY Assembly and the Federal Executive Council. This time, they will also discuss the results of the bilateral talks the republican leaderships have held so far.

Dr. Janez Drnovsek, member of the Federal Presidency, said in his statement to DELO, that the interrepublican talks held so far have failed to provide any new elements that may indicate an agreement is possible in the foreseeable future. "The compromise that was reached at the night session at the end of last week has prevented only an immediate crisis, which would have ended with a conflict, that is, with a civil war. All essential problems and questions, however, have remained open. Different concepts as to what a future Yugoslavia should look like, as well as all interethnic problems, above all between Serbs and Croats and Serbs and Albanians, still exist."

Despite all polemics and talks held so far, the question of who is going to draw up the final balance after the inter-republican talks is still unknown. Are the republics themselves going to do so, or is somebody else going to step in? According to Dr. Drnovsek, after an agreement is reached between republics, the process of establishing financial and all other relations will probably be carried out in the federal services, because there is simply nobody else. "So far, Slovenia has done nothing official in this respect apart from its Assembly having adopted decisions, something that was not reflected elsewhere. Separation is only possible via the federal services, that is, it should be attained by dividing material and other relations between the federation and Slovenia."

Dr. Drnovsek does not exclude the possibility of a critical situation happening again because there are many unsolved questions including some that concern Slovenia. He sees an asymmetric combination of a confederation and a federation as one of the last possibilities to find a way out of the constitutional crisis. It would be acceptable to Slovenia and perhaps Croatia, but it is a question whether the others would agree with it.

Admiral Brovet on Army Role in Present Situation

AU0502203591 Belgrade Domestic Service in Serbo-Croatian 1800 GMT 5 Feb 91

[Milorad Jovic report]

[Excerpts] The SFRY Assembly Committee for National Defense concluded its session several minutes ago by adopting conclusions. The Committee extended its full support to the SFRY Presidency measures taken with a view to dissolving and disarming all illegal armed formations and removing inter-republican conflicts and distrust.

The conclusions state that the Federal Executive Council is obliged to implement the SFRY Constitution consistently and to protect the territorial integrity and completeness of the SFRY. Respective services are obliged to work on preventing the illegal imports of arms and their distribution according to national and political affiliation. A continuation of interethnic conflicts would harm democratic changes and the implementation of the reform. The Committee suggests to the SFRY Assembly

Federal Chamber that it discuss current questions concerning the formation of paramilitary organizations at its next session; this was stated in the conclusions adopted after several hours of debate in the SFRY Assembly National Defense Committee. [passage omitted]

Replying to a delegate's question at the beginning of the debate, Deputy Secretary for National Defense Admiral Stane Brovet, said that it is uncertain when the Croatian minister of internal affairs, Martin Spegelj, will be detained, because that is in the hands of the republican services. Taking the floor later in the debate, Brovet said that participants in the attempted rebellion in Croatia whom we have seen in the television program will go on trial, and that the trial will be public.

Brovet also spoke on the possible role of the Army in the present situation:

[Begin Brovet recording] There are, in fact, only two possibilities. The first one is to reach an agreement on the future setup of Yugoslavia in a peaceful and democratic way, which absolutely involves disarmament of all illegal armed forces. Meanwhile, the Yugoslav People's Army [JNA], as the armed force of all our peoples and nationalities, should equally take care of the security, that is, defense of the entire country, all peoples and nationalities equally, and all citizens. The second possibility is that the JNA should only defend borders from external aggression, and that within the country, everybody can arm themselves as much as they want and clash with each other to their heart's content.

We support the former solution, and I do not doubt that the orientation of all of you, the delegates of this committee, is the same. [end recording] [passage omitted]

Assembly Discusses Illegal Croatian Units, Arms

AU0502183491 Belgrade Domestic Service in Serbo-Croatian 1400 GMT 5 Feb 91

[Milorad Jovic report on the debate at the SFRY Assembly National Defense Committee; place and date not given]

[Text] [Jovic] An (?addition) to the report of the Federal Secretariat for National Defense on the armament of the paramilitary organizations in Croatia was presented at the session. The additional report says that after the facts and data had been presented in the first report of the Federal Secretariat and after the debate held by the State Presidency, Republic of Croatia services started concealing and even destroying material evidence in the country and abroad. At the same time, they tried in various ways to legalize the measures described in the report. For example, the illegally imported weapons that were distributed to members of the Croatian Democratic Community [HDZ] were presented as weapons belonging to the internal affairs services, which is a maneuver aimed at keeping the weapons and legalizing an illegal organization. Therefore, a large number of HDZ members who have been given a combat assignment in the Armed Forces, have been assigned to the reserve militia. The consequence was a sudden increase in the number of reserve militia members, also in the formation and armament of large police units, ranging even to brigade size, something that caused new anxiety among citizens.

Importing weapons into Yugoslavia according to illegal contracts with individual foreign countries with the knowledge and support of their official services has not stopped, according to an additional report by the Federal Secretariat for National Defense.

At the very beginning of the committee debate, when delegate Vilko Jelen insisted that the reports received are still not sufficient, Deputy Secretary for National Defense Admiral Stane Brovet said that today's report, together with the original report, represent a sufficient basis for the debate. Brovet told the delegates—and this is not included in the report—that the Federal Executive Council and Ante Markovic were directly involved in drawing it and that the contacts between the prime minister and Franjo Tudjman had been prepared at the Federal Government sessions. Brovet said that Federal Secretary for National Defense General Veljko Kadijevic suggested to Ante Markovic what one should convey to the Croatian leadership.

Here are some details from the debate: Vaso Djukanovic said that the Croatian leadership [vrhovnistvo] is taking over what the Ustasha leadership [poglavnistvo] had not managed to accomplish. Replying to Djukanovic's question on when Martin Spegelj will be arrested, Stane Brovet said the following:

[Begin Brovet recording] We cannot answer that question. At the demand of a court, he should be detained by respective services of the Republic of Croatia. [end recording]

Petar Misovic, deputy federal secretary for internal affairs, informed the committee on the activities of the Federal Secretariat for Infernal Affairs. Last November, this secretariat was incorrectly informed by the Croatian Internal Affairs Ministry about the armament of paramilitary armed forces in that republic. According to the Croatian Ministry, what was involved were no special units, but the recruitment of militia members. Misovic stated at the same time that the Ministry [words indistinct] Federal Secretariat for Internal Affairs, that the only illegal units were Chetnik units in the Knin Region. In these contacts between the republican and the federal services there has never been any mention of unrest organized and caused by HDZ members.

Misovic also presented a series of facts connected with the constant illegal imports of arms into Croatia. These ranged from 10,000 pistols via Zagreb Airport to automatic rifles smuggled on ships and unloaded in Croatian ports during the night.

At all demands by the Federal Secretariat, the Croatian Ministry replied that information would be sent later. That later time has still not come. The same applies to demands for information on weapons distributed to citizens.

Delegate Vika Potocnik also spoke. In her opinion, the most important question after all this is who may illegally film representatives of legally elected authorities.

Milivoje Maksic, deputy federal secretary for foreign affairs said that Hungary has sent an official report that the first 60,000 Kalashnikovs were exported to Croatia without the Hungarian Government being informed and that the investigation would continue.

The National Defense Committee should decide whether it will suggest to the Federal Chamber to discuss current issues connected with the unlawful formation of armed forces in Yugoslavia at its next session.

Presidency Session Commends Army's Performance

LD0602174491 Belgrade TANJUG Domestic Service in Serbo-Croatian 1632 GMT 6 Feb 91

[Text] Belgrade, 6 Feb (TANJUG)—At its session today presided over by President Borisav Jovic, the SFRY Presidency examined a report of the political adminstration of the Federal Secretariat for National Defense dated 19 January 1991 on the current situation in the world and in the country, and the immediate tasks of the Yugoslav People's Army [JNA] in connection with demands made at the SFRY Presidency session on 31 January.

The SFRY Presidency concludes that the report represents a document of a Federal Secretariat for National Defense body and not an act of command, which would have the effect of an order for its members. In this connection the SFRY Presidency once again stresses that decisions on the future of Yugoslavia will be made by the Yugoslav nations, their republics, and the constitutionally empowered bodies of the federation, and that all their decisions will be fully recognized by the JNA. The SFRY Presidency's resolute stance is that it is necessary for all subjects of political negotiations to show consistent observance of the constitutional status and role of the JNA.

As far as its overall activity is concerned, the JNA has not exceeded its duties determined by the SFRY Constitution and laws. On the contrary, it has implemented them with consistency. In keeping with social changes, the JNA has become involved in the process of democratization in the country, and one should bear in mind that the changes in question are major and that they do not depend on the JNA alone but on the overall democratization in society. In this respect the JNA has, on its own initiative, gone even further than the formal framework provided by the present constitutional and legal solutions. Supporting the depolitization [departizacija] that has already been carried out, the SFRY Presidency at the same time draws attention to the right of its members, as citizens, to declare their political belonging and orientation outside the JNA.

The SFRY Presidency notes that nothing stands in the way of continuing the process of seeking agreement between republics and federal services concerning the country's political future.

At today's session the SFRY Presidency also approved the proposal of the Yugoslav Chamber of Economy and the Trade Union Federation to convene a joint meeting in mid-February between the SFRY Presidency and representatives of the chamber and the federation, with the participation of representatives of the SFRY Assembly and the Federal Executive Council, to discuss the current economic and social situation in the country.

EC Appeals for 'Peaceful' Way Out of Crisis

LD0502204691 Belgrade TANJUG Domestic Service in Serbo-Croatian 1758 GMT 5 Feb 91

[Text] Belgrade, 5 Feb (TANJUG)—Ambassadors of the Netherlands—representing Luxembourg as the EC chairman—Portugal, the EC, and the Italian charge d'affaires delivered to Deputy Secretary for Foreign Affairs Milivoje Maksic an appeal from the EC and its members addressed to Yugoslav bodies.

The ambassadors of those countries will send the same text to republican ministries of foreign affairs for their information.

The text of the appeal, which was adopted yesterday at a ministerial meeting in Brussels, reads: Appeal of the EC and its member countries to Yugoslav bodies:

The Community and its members:

—Underline positive development of relations between Yugoslavia and the EC;

—Closely watch developments in that country, particularly the evolution of Yugoslav society in a direction of democratic resolution that would be satisfactory for all Yugoslavia, in accordance with the Paris Charter;

—Call on all interested parties to intensify their efforts to find a peaceful and democratic way out of the present Yugoslav crisis, with full observance of human rights and basic liberties;

—Underscore that any threat with use of force should be carefully avoided by all parties participating in negotiations on new constitutional solutions;

—Recalling its previous statements on preserving the unity and territorial integrity of Yugoslavia they express hope that the dialogue that is under way between republics and federal bodies will result in a constitutional procedure that will facilitate establishing a new Yugoslavia on the basis of freedom and democracy.

Tudjman Deems Austria Trip 'Very Successful'

AU0602152791 Belgrade BORBA in Serbo-Croatian 1 Feb 91 p 4

[G. Gojak report: "A Very Successful Visit"]

[Text] Zagreb—Croatian President Dr. Franjo Tudjman, returned from a three-day visit to Austria at about 1800 Wednesday evening [30 January]. Upon his return to Zagreb Airport he said the talks with the most senior Austrian state-political leaders were very successful.

In a half hour conversation with journalists, Dr. Franjo Tudjman cited the main result of the trip to Vienna as Austria's determination to support Croatia in democratically resolving the political crisis in Yugoslavia and to help in the republic's economic development.

Replying to a question from journalists on whether a Croatian delegation would be going the next day to "the second round of talks in Belgrade," president Tudjman said that one would. He also added that he was surprised by the continuation of "an arrogant campaign against the Croatian authorities even after the talks that were conducted in Belgrade with President Milosevic and in the SFRY Presidency.

Fomenting hatred, Tudjman added, which is what has been happening in the last two days, does not favor such peaceful negotiations. In my opinion, Tudjman continued, before any talks are held at today's meeting we will have to first raise the question of what is the aim of reviving this communist movement and what is the aim of presenting the kind of ideas and films that are now being leveled against Croatia. This is because—I do not know whether you know this or not—but we also have documentary film which could definitely be a response to the fabrication of the kind of films that have been shown in the last few days and that we have not so far publicized solely because this would not help the creation of a suitable climate.

Tudjman was greeted at the airport by Croatian Assembly President Zarko Domljan, Croatian Government Chief Josip Manolic, SFRY Presidency Vice President Stipe Mesic, Defense Minister Martin Spegelj, and Internal Affairs Minister Josip Boljkovac.

Hungary Admits Selling Arms to Croatia 'Mistake'

LD0602230491 Belgrade TANJUG Domestic Service in Serbo-Croatian 2233 GMT 6 Feb 91

[Text] Budapest, 6 Feb (TANJUG)—The Hungarian Government has admitted that the sale of arms to Croatia was the result of a mistake in the procedure for issuing relevant certificates.

This was announced in Budapest this evening after a closed six-hour joint legislative session for foreign policy and defense questions, attended by the country's entire state leadership.

In a brief and incomplete communique to the public the government also announced that—once the case was made public—mistakes were also revealed in statements by certain officials.

Vojvodina Hungarians Disavow Arms Sale Link

LD0502101991 Belgrade TANJUG Domestic Service in Serbo-Croatian 1407 GMT 4 Feb 91

[Excerpts] Novi Sad, 4 Feb, (TANJUG)—The Democratic Community of Vojvodina Hungarians [DZVM] supports all the political efforts in the country and abroad aimed at resolving the crisis between Serbia and Croatia without the use of arms, through peaceful, tolerant negotiations, according to a statement issued today by the Novi Sad presidium.

To achieve the best possible political atmosphere for talks, it is vital, in the assessment of the presidium, to disarm all irregular (military) formations. Further, it says that common sense and the long-term goals of all the citizens of Yugoslavia to live in this area peacefully and in understanding should prevail when interpreting the regulations. [passage omitted]

It is with sorrow that the community states that the procurement of arms in Hungary by the Coratian state services, with whom neither the DZVM nor Hungarians in Vojvodina have absolutely any connection, has been used in some information media, as well as by services of the Socialist Party of Serbia in some municipalities in Vojvodina, for unfounded criticism of the community and in some broad context also of Hungarians in Vojvodina.

The Criticism and unfounded allegations felt by Hungarians in Vojvodina as a national minority are interpreted as political pressure, the statement stresses. [passage omitted]

Croatian, Albanian Connection Seen in Crisis

AU0602121991 Belgrade BORBA in Serbo-Croatian 31 Jan 91 p 5

[Milos Antic report: "Five Bullets for Support"]

[Text] The preparations for an armed rebellion by Croatian extremists that have been revealed also brought to light the fact that a considerable section of the Croatian organization and strategy was relying on the so-called Albanian element. What has been rumored and speculated about for years has suddenly become a reality. The whole thing got official confirmation in the words of Martin Spegelj, who, in short, stated that "their matter" also depended upon ethnic Albanian soldiers, as they represent 35 percent of all recruits stationed in Zagreb, and that they are the only ones that should have "five bullets in their automatic guns."

Only those who discovered and revealed the whole trick can answer whether the ethnic Albanian solders and their five bullets represent the only and main force of the

Croatian-Albanian separatists' axis between Zagreb and Pristina, or whether some stronger connections stand in front or behind it.

Regardless of the news, leaked to the public that the Croatian-Albanian connection managed to win over on its side all ethnic Albanians serving in the Yugoslav People's Army [JNA], here in Kosmet, especially among the parents of ethnic Albanian solders, the opinion prevails that the whole thing was made up. It is well known that solders in barracks are not and could not be merely exposed to the separatists. The fact that some of them could be "brainwashed" before their arrival in the JNA is acknowledged, but it is not believed that they would all take part in the rebellion against the JNA.

Among the former officers of the JNA who found shelter in Zagreb after demobilization and who had clearly put themselves in the service of the Croatian Democratic Community [HDZ], the name of Tome Berisha, a former JNA colonel who is currently the president of Rugova's Democratic Alliance of Kosovo is particularly mentioned. In the last few months, Zekeria Cana, the current vice-president of the Committee for the Protection of Human Rights, voluntarily accepted a significant role in the "military question". A few months ago he changed, on his own initiative, the place of residence from Pristina to Zagreb under strange and unexplained circumstances. After one of his journeys on the Zagreb-Zurich-Tirana-Pristina route, at the time when the conflict between the Croatian extremists and the JNA had reached its peak, Cana appeared in Pristina after the suicide of solder Lulzim Rexhepi (which he committed by throwing himself under the train in Virovitica) to call the Albanians not to serve their military service in the JNA, and to desert from it as in the JNA "relations are not honest but dirty".

Perhaps the strongest link was established last September after the declaration of the illegal "constitution of the republic of Kosovo," in Kacanik, when the complete ex-provincial government, headed by Jusuf Zejnullahu, and almost all former Albanian nationality deputies of the dismissed Kosovo Assembly, headed by their vice-president Iliaz Rajmalia, found shelter in Zagreb. They and like-minded persons all got asylum in Croatia in spite of federal laws, particularly the criminal law, being equally applicable throughout Yugoslavia. Even nowadays some of them freely walk the streets although the charges and the search warrants have been filed against them for associating with intent to carry out hostile activities with the aim of committing the criminal offense of undermining the territorial integrity of Yugoslavia. With help from their Croatian friends, some of these have already fled to the West and, therefore, escaped the reach of our state services.

The complete Zagreb-Pristina "connection," perhaps accidentally or perhaps intentionally, in some way got its epilogue at the peak of the conflict between Croatian extremists and the JNA when Dr. Franjo Tudjman met Dr. Ibrahim Rugova, leader of the biggest political party of Albanians in Kosovo. We can only speculate on the subject of their talks. Nevertheless, there are too many "coincidences" on the Zagreb-Pristina relationship that Spegelj's "revelation" could come as a surprise.

Defense Secretariat Reports on Illegal Weapons

LD0502202891 Belgrade TANJUG Domestic Service in Serbo-Croatian 1249 GMT 5 Feb 91

[Text] Belgrade, 5 Feb (TANJUG)—The state services of the Republic of Croatia are not prepared to cooperate with criminal proceedings against people responsible for the illegal storing of weapons and the formation of paramilitary armed units. This is despite the fact that in every respect the Yugoslav People's Army [JNA] acted in keeping with the SFRY Presidency conclusions.

This has been stressed in a supplementary Federal Secretariat of National Defense [SSNO] report on the illegal storing of weapons and the implementation of the SFRY Presidency order forwarded to federal assembly delegates today.

According to an SSNO assessment the state services of the Republic of Croatia are doing their utmost to frustrate the implementation of the SFRY Presidency order and conclusions and application of federal laws. The JNA will continue to act consistently in keeping with the SFRY Assembly conclusions on the political-security in the country, and the military-justice services will act in every case as dictated by laws and federal legislation as transpires from the SFRY Presidency order and conclusion, says the SSNO in its supplementary information.

Spegelj Certain Army Will not Intervene

LD0602222391 Belgrade TANJUG in English 2104 GMT 6 Feb 91

[Text] Zagreb, Feb 6 (TANJUG) - - Croatian Defense Minister Martin Spegelj told a news conference in Zagreb on Wednesday that he was sure the Yugoslav Peoples Army would not intervene in the Yugoslav Republic of Croatia.

Spegelj said there would not be an intervention because of the victory of [words indistinct] in Slovenia, Macedonia. Bosnia-Hercegovina and Croatia [words indistinct] the republics which have non-communist governments—and because of opposition from the European and world public.

Spegelj denied a report by the ASSOCIATED PRESS on Tuesday that he would resign if that were a condition for a final settlement of the crisis between the Yugoslav People's Army and Croatia.

Spegelj explained Croatia's stand that the army should not take part in political negotiations among Yugoslavia's sovereign republics in which even the Yugoslav State Presidency could not be a partner, and especially not its president Borisav Jovic.

Spegelj denied allegations that Croatia had a military force, but said that the republic was planning to form its armed forces which would include about 240,000 reservists in Croatia. He refused to say whether Croatia imported arms from Hungary.

On a secretly filmed and broadcast tape of the Yugoslav Army information service, Spegelj set out a plan for the liquidation of Yugoslav army officers and their families. Spegelj is accused of illegally arming the republican police and civlian members of the ruling party in Croatia, the Croatian Democratic Union.

The military court in Croatia issued an order for Spegelj to be brought in, but Croatian Interior Ministry organs refuse to carry it out.

Information Minister on Possible Secession

LD0602155191 Belgrade TANJUG Domestic Service in Serbo-Croatian 1408 GMT 6 Feb 91

[Text] Vienna, 6 Feb (TANJUG)—If Slovenia secedes from Yugoslavia then Croatia will do the same. This has been stated to the Austrian APA news agency by Croatian Information Minister Milovan Sibl.

His statement, transmitted today, notes that the matter was mentioned some time ago by Croatian President Franjo Tudjman, and he goes on to point out that this stance "is now more topical than ever before."

APA says that Sibl did not want to mention a deadline for his republic's secession from the state federation. It notes that concerning the question whether as a sovereign country Croatia will establish bilateral relations with Slovenia and Bosnia-Hercegovina, he said that this will depend on the willingness of the governments in Ljubljana and Sarajevo to have talks.

APA also says that Sibl stressed that Zabreb received positively Slovenia's intimation that as an independent country it wanted to establish "special relations" with Croatia.

Sibl also said that generally speaking, it was believed that Slovenia's secession from Yugoslavia "would be tolerated by Serbia and the Army" more than Croatia's secession.

"We certainly always have problems with the Army. The solution can only be for the Army to desist from interfering in politics. We certainly will not desist from our demand for the depoliticization of the Army," Sibl told the APA agency.

Croatian TV Interviews Protagonist in Army Film

AU0502173391

[Editorial Report] Zagreb VJESNIK in Serbo-Croatian on 3 February on page 3 carries two reports by Salih Zvizdic: a 1,600-word report on the appearance on Zagreb Television by Goran Ribicic, one of the main protagonists in the "controversial" Army film and a 400-word report on a brief interview that the Croatian Defense Minister Martin Spegelj gave to Zagreb Television following the program featuring the aforementioned Goran Ribicic.

According to the first report, entitled "Confessions of an Agent," on Saturday night Zagreb Television interviewed Goran Ribicic, "an associate of the military counterintelligence service and president of the Communal Organization of the Croatian State-Founding Movement [Hrvatski drzavotvorni pokret]." The report also states that Croatian Television "did not want to show this interview so not to play with the man's life, regardless of his role in the film." After the conversation with Ribicic was published in a newspaper, however, although in a somewhat different version, Croatian Television decided after all to show the Ribicic interview. Goran Ribicic came to the Osijek studio and expressed the wish to make a statement. He spoke to Darko Uranjek, editor of Croatian Television's Osijek Studio.

According to the report, Ribicic said that he had been "blackmailed" by the intelligence service and that he had agreed to talk to the service.

He reportedly said "the talks spread over five intensive days. They lasted eight to nine hours and these talks were filmed in their entirety except for an hour of each. They did not film the beginning and the end. After that there were three or four days of less intensive talks."

Asked about whether the dates shown on the film correspond to the times when he was interrogated, Ribicic said: "Neither the dates nor the questions are identical. The questions were subsequently inserted into my statements. I supposedly spoke about the Osijek-Subotica-Novi Sad action. I supposedly spoke about the plans of the Croatian State-Founding Movement and Croatia's hopes, but these plans have never been realized. What kind of a plan is this if it has never been carried through? This does not exist. Therefore, such a plan will never be carried out. These questions were simply fabricated [namontiran] subsequently."

Asked about the length of the "interrogation," Ribicic said:

"The interrogation lasted 20-30 times longer than what was shown on the film, which is about 2-3 minutes. Altogether 100 hours worth of material was filmed."

The second report, entitled "An Attack on Croatia," carries a brief interview with the Croatian Defense Minister Spegelj, in which he comments on Croatian Television's interview with Goran Ribicic. Replying to the statement, Spegelj said; "You have heard the conversation with Goran Ribicic which confirms your claims on the Croatian Television that the film is fake. Yes, studies by neutral experts will soon establish that the film made by the Federal Secretariat for National Defense contains some very ugly things that were put in

my mouth. Another thing that shook me after the conversation with Ribicic is that it reminded me of Stalin's times. I believe that dozens of such men were taken in to 'confess' and to be filmed."

Expert Denies Editing Role

AU0602151291 Belgrade BORBA in Serbo-Croatian 31 Jan 91 p 2

[Unattributed report: "Film Editing Is Not My Profession"]

[Text] Belgrade—In a special Croatian television program "The Special War Against Croatia," shown on 29 January, Croatian Defense Minister Martin Spegelj stated that Dragan Lopicic, the video and sound expert from the Institute for Security of the Yugoslav People's Army, was the main "film editor" of the program.

"Assuming that I am the man in question and regarding several inaccuracies stated in connection with my surname, title, and the name of my employer, and bearing in mind until 1986 I worked for the Federal Secretariat for Internal Affairs," Dragan Lopicic stated the following:

"I declare with full responsibility that I have no connection with the production of the film. In my work hitherto I have never done any form of film, video or sound editing.

"Since March 1986 I have been working for the Ivo Lola Ribar industries in Belgrade as a chief planning engineer in the Lola-computers factory. Therefore, I am not employed in the institution minister Spegelj claimed I am, and do not have any business or working contacts with that institution," Dragan Lopicic emphasizes in his denial.

Spegelj Speculates on Film's Origin

AU0602101091 Belgrade BORBA in Serbo-Croatian 31 Jan 91 p 4

[S. Vranic report: "I Do Not Intend To Resign"]

[Excerpts] Zagreb—Croatian Television broadcast an hour-long program the night before last entitled "Special War Against Croatia" in which retired general and defense minister Martin Spegelj took part. As an introduction to the interview, a "chronicle of Army threats to democratic processes"—from the trial of the four men in Ljubljana to the recent broadcast of a special film by "Zastava Film" and the Information Service of the Federal Secretariat for National Defense on illegal arms acquisition in Croatia—was presented and then Spegelj answered questions put to him by the announcer. [passage omitted]

Replying to the question whether he thought that the film implicating him was broadcast as a justification for actions by the Army, Spegelj said that it was possible to perceive certain synchronized actions that were easy to decipher. He stressed that the "situation was always intensified" prior to important decisions and events and that the film the public saw had the aim of blocking Serbian-Croatian dialogue and of persuading the SFRY Presidency to decide on a military solution to the supposed conflict in Croatia.

Regarding the arms acquisition, which he claims was legal (Croatia asked the Federal Executive Council and the Federal Secretariat for National Defense to arm the militia, which had been extended for a year), he said that this was a subsidiary issue. This issue was was created purely for political purposes, and regarding paramilitary units, Spegelj denied that they exist in Croatia, including Knin (where there are armed civilians) and Yugoslavia. [passage omitted]

The second part of the interview began with a question on whether the minister was thinking about resigning, to which he expressly replied: "I do not intend to resign. The film is an obvious forgery and a falsification and I want an international expert study to be conducted to check its authenticity."

Spegelj then denied the assumption by Tudjman's adviser, Ante Barisic, that this was a counterintelligence question game by Spegelj; that is to say, that he deliberately said what was shown in the film to lead the other side to the wrong conclusion about the superiority of the Croatian police.

The actual film horrified me, he said, but I have nevertheless watched it several times. He noticed that the film is edited in the places that are most incriminating and he allowed the possibility that it was also borrowed from parts of an interview that he once gave to Zagreb Television journalist Mladen Trnski, in which he explained what a civil war would look like. [passage omitted]

Regarding the film's creators, Spegelj mentioned the name of Dragan Lokicic from the Security Institute of the Yugoslav People's Army, who is also an expert in audio and visual montage. [passage omitted]

Near the end of the interview, Spegelj revealed how he was "lured into the trap." He said that he was secretly filmed in his home town of Stari Gradac, in his kitchen, and that this fact hit him particularly hard. The two men that he was talking to were Captain Vladimir (who I loved like my own son) and the older Sergeant Franjo Kovac (his sister's son). "I forgive both of them although it is very difficult for me. It is obvious that they were victims of a great manipulation and pressure when they agreed to this."

At the end of the interview, Spegelj once again repeated that he did not intend to resign because, as he put it, this would not only mean an admission of defeat but also recognition of methods that revolt and are rejected by the whole democratic world.

Kucan Comments on Federal Presidency Session

AU0602150291 Belgrade BORBA in Serbo-Croatian 2-3 Feb 91 p 15

[D. Draskovic report: "This is the First Round"]

[Text] Ljubljana—At the beginning of the news conference, which Milan Kucan held after he had returned from Belgrade, he did not dramatize the early departure of Croatian representatives Stipe Mesic and Franjo Tudjman. The Slovene president said that they departed earlier because of the tennis match, and that before them Zelenovic and Drnovsek also left the session because of personal engagements.

Kucan thought that this is still only the first round of talks: "At yesterday's session I initiated a discussion on the 'document about current events and the tasks of the Army' that had been 'found' in Slovenia, and for which we are not sure whether it is authentic or not. Therefore, we asked who in the end is the partner in the talks about the future of Yugoslavia - the Yugoslav republics or the Yugoslav People's Army [JNA]. From the 'military paper' it is obvious that the Army has greater ambitions than just respecting the republican agreements."

A great deal of discussion with Kucan last night focused on neighboring Croatia, especially on the fact that Croatian ministers Spegelj and Boljkovac visited Ljubljana. Kucan described this visit as yet another routine round of talks at the ministerial level of the two republics.

What happened with weapons in Croatia cannot be solved by starting criminal proceedings. "It is a fact that the government of Croatia armed its police to protect its sovereignty. To treat the import of weapons as a criminal offense means closing our eyes to the real problem. Why was the Croatian government endangered? This takes us back to the question of the confiscation of arms and the position of the JNA in society," Kucan said.

In the opinion of the Slovene president the behavior of the Croatian government is understandable. Minister Spegelj acted the way his government requested of him. Kucan also thought that by trying to initiate an investigation and a criminal procedure against Spegelj the situation would only became tense again and no solution would be found.

When asked whether Dr. Tudjman in his letter to U.S. President Bush mentioned Slovenia, Kucan replied that he knew about it but that the Croatian president had not informed him about the content of the letter in advance. Slovene President Peterle has also written to Bush, and he also had not notified Kucan about it. Answering the question whether the United States and some other Western European countries prevented an Army intervention in Yugoslavia, Kucan replied that the stands of those countries had positive influence, but it was mostly the sensible, thinking people at home that had contributed towards the calming down of the situation.

In his talks with journalists last night Kucan spent most time answering the remarks of some parties that claimed that by saying that "Slovenia acknowledges the interests of the Serbian peoples to live in one state" he in fact betrayed Croatian interests. "No peoples could be denied the right and desire to live in one state. For me, this is a natural right, but it cannot be realized at someone else's expense. This right is, however, an abstract right and we remain of the opinion that borders within Yugoslavia cannot be changed. They must stay the same, regardless of when they were drawn, even regardless of whether or not they caused injustice to certain peoples," Kucan said.

Peterle Urges Baker To Intercede in Crisis

LD0502225991 Zagreb Domestic Service in Serbo-Croatian 2100 GMT 5 Feb 91

[Text] Slovenian President Lojze Peterle sent a statement on the Yugoslav crisis to U.S. Secretary of State James Baker, via the office of the government of the republic of Slovenia in Washington. The statement stresses that the Yugoslav situation is deteriorating as some political forces invest serious and concentrated efforts to restore the old system. All this renders any talks pointless as it jeopardizes a possible agreement among the Yugoslav republics. In addition to the call on Baker to use his political influence, Peterle sent the same statement on the Yugoslavian crisis to Senator Dole, whom he thanked for his permanent commitment to Slovenia, Croatia, and Eastern Europe.

Slovenia, Croatia Implicated in Document Leak

AU0602140891 Belgrade POLITIKA in Serbo-Croatian 3 Feb 91 p 9

[R. Petrovic report: "Intelligence Officers Steal, Kucan Makes the Decisions"]

[Text] The stictly confidential Yugoslav People's Army document of the Political Department of the Federal Secretariat for National Defense reached the public via HINA, BORBA, and the Croatian press thanks to Slovenian Defense Minister Janez Jansa, Slovenian President Milan Kucan, and Ivan Borstner, the well-known stealer of army documents.

POLITIKA has learned that the Sector 09 intelligence department, which is headed by Andrej Lovsin and Ivan Borstner, acquired this confidential document, which is the kind of document that is used internally by all armies of the world, through its own channels. As soon as they had procured the document they took it to their chief, Janez Jansa, who, without wasting any time, handed it over to Milan Kucan.

Kucan received such an unexpected present with the following words:

"This is a great thing. Only now do we know what the Army wants. We now have one more reason to topple them."

With this intention, analyses were begun and a strategy was prepared showing how to make the best possible use of this, and Kucan was helped in this by one of the main experts, Ciril Ribicic. After that, Kucan made the decision to submit the document to Tudjman because he would find it welcome if Croatia were to be brought to its knees.

This decision was obviously made because Tudjman and the Croatian Democratic Community [HDZ] were in a serious crisis after the publication of documentation on the terrorist activities of the HDZ and this would help him in to present his arguments in the debate at the last SFRY Presidency session. According to what the Information Service of the SFRY Presidency announced and what was published in the media, Tudjman zealously made use of this.

Kucan's second significant decision was to immediately give the document to his bosses abroad and engaged who else but the proven spy Janez Jansa to do this. To show their total subservience to their bosses, they translated the document into English beforehand. Well-informed sources claim that there was no end to Jansa's rejoicing, as he had decided that when the West saw how the Army was defending communism it would want to smash it to smithereens. The day after the documentary on the terrorist plot in Croatia was broadcast—26 January—Slovenia's defense minister eagerly fulfilled his task and handed the document of the Federal Secretariat for National Defense to a foreign intelligence service.

In the end, Kucan also decided to publicize the document at home, counting on all the positive effects of this.

Obviously the alliance between the Slovene leadership and the Croatian government, which has also been demonstrated on this occasion, is being proven from day to day. This was how Josip Boljkovac and Martin Spegelj, organizers of terrorist activities and the Croatian armed uprising, came to visit Slovenia on 31 January, on the day that Spegelj should have been handed over to the legal judicial services. This also shows that the Slovene leadership supports terrorism and activities that all democratic countries in the world condemn.

Situation in Eastern Hercegovina Deemed Tense

AU0602180891 Belgrade Domestic Service in Serbo-Croatian 1400 GMT 6 Feb 91

[Ljubomir Nikolic report]

[Text] A special war has been waged in eastern Hercegovina, because somebody who wants to mar the good relations between Serbs and Muslims has been spreading the news about lists the two sides have allegedly compiled of people to be liquidated. This is what Serbian Democratic Party President Dr. Radovan Karadzic told journalists. He reiterated his demand that Ante Markovic should resign, because of, as he put it, 1,000 reasons, of which the unlawful arms imports alone is enough to make the Federal Government fall.

Regarding the situation in Croatia, Karadzic said that the Croatian leadership wants to realize the ideas about their great state and do so by means of a genocide of the Serbs, as already done in recent history. The circumstances are now different and the Serbs will not allow that, Karadzic said, and extended his support to Borisav Jovic and the Yugoslav People's Army.

Regarding the Bosnia-Hercegovina declaration of sovereignty, Karadzic said that it cannot replace the existing Constitution that clearly defines the position of this republic within federal Yugoslavia. The Serbs will not accept an independent Croatia [refers to the fascist Croatian state during World War II] or an independent Bosnia-Hercegovina, Karadzic said.

A little later, at a regular news conference, Irfan Ajanovic, secretary of the Party of Democratic Action [SDA], clearly expressed his conviction that the declaration would be adopted by the Assembly of Bosnia-Hercegovina, and said that the document represents the best guaranty of the sovereignty and indivisibility of the republic.

Speaking about the situation in eastern Hercegovina, he said that it is not good and that in some towns, such as Bileca, Nevesinje, and even Gacko and Trebinje, Serbian extremists are attacking their Muslim neighbors and telling them to (?leave quickly).

A demand was issued at [word indistinct] meeting of the SDA representatives of eastern Hercegovina to the effect that special units of the Ministry of Internal Affairs of Bosnia-Hercegovina should be sent to the communities where interethnic tensions have reached a critical point. Today, one could hear the opinion that party leaders, Alija Izetbegovic and Radovan Karadzic should go to that part of the republic and calm the passions.

Sulejman Ugljanin, president of the SDA for Sandzak, said today that Muslims in this part of Serbia and in Montenegro enjoy no rights and that a real propaganda war is being waged against them. Irfan Ajanovic, secretary of the SDA of Bosnia-Hercegovina, announced a greater party commitment in Sandzak and Macedonia, which was lacking during recent months because of the work in constituting new authorities in Bosnia-Hercegovina.

Macedonian-Slovene Talks Reveal Close Views

AU0602165291 Belgrade Domestic Service in Serbo-Croatian 1400 GMT 6 Feb 91

[Dragoslav Kosaric report on news conference following talks on about the country's future structure held after

meeting between Macedonian and Slovenian delegations in Ljubljana; date not given]

[Text] [Kosaric] At the very beginning of the news conference, Milan Kucan said that it is really a pity that the meeting with the Macedonian delegation had not been held before. Approaches to the joint task of finding a realistic way out of the Yugoslav crisis turned out to be very much identical. The starting point of the talks were the two republics' declarations on sovereignty that, as Kucan put it, are very similar. Opinions on what the talks between equal republics should look like were identical. The two sides share the stand that internal borders cannot be changed by force, but only through everybody's agreement, that one should exclude force, as they put it, from the talks held on the Yugoslav level, and that the Yugoslav People's Army as a political factor should be excluded from this stage of the talks.

It was agreed that, despite some differences between the two republics, the governments of Macedonia and Slovenia should hold talks soon on bilateral relations in the economy, banking, and (?other spheres).

Kiro Gligorov, who addressed the journalists in Macedonian, first presented the historical development of the Macedonian people. Speaking about the multiparty system in Macedonia, Gligorov stressed in particular that the Albanian minority is actively included in the republic's political life and the division of power. Regarding Yugoslavia, he said that Macedonia is interested in Yugoslavia being preserved upon new foundations and an agreement that will be concluded by sovereign republics. Macedonia is against the formation of a mini-federation.

Speaking about the Slovene-Macedonian talks held today, Gligorov said that demonstrated close views on all key questions, although there are some differences.

Izetbegovic Set for Bosnia-Hercegovina Referendum

AU0602110591 Belgrade POLITIKA in Serbo-Croatian 31 Jan 91 p 14

[M. Caric report: "Referendum on the Independence of Bosnia- Hercegovina"]

[Text] Sarajevo, 30 Jan—"If Slovenia and Croatia leave the present federation and secede I will consider that I no longer have the legitimacy for further talks about the new Yugoslavia. I will propose that a referendum on the independence and sovereignty of Bosnia-Hercegovina be organized among citizens, and that any decision be made with a two-third majority."

This was Alija Izetbegovic's [president of the Bosnia-Hercegovina Presidency and president of the Party of Democratic Action, SDA] reply to journalists at today's regular news conference given by the SDA regarding the recent preparations by the northwestern republics to finally leave Yugoslavia. The Declaration on the Sovereignty of Bosnia-Hercegovina, which had been given to assembly delegates, was also distributed among journalists at the news conference.

Replying to a question concerning the replacement of Bogic Bogicevic with a new member of the SFRY Presidency, Izetbegovic said this process is under way and this is a matter for the Serbian Democratic Party of Bosnia-Hercegovina.

The SDA president added, however, that in the future they will observe the criterion by which each new federal official must get the support of all the three peoples of Bosnia-Hercegovina. In other words, Izetbegovic confirmed that a person cannot remain in a high, particularly federal, post if any of the peoples of Bosnia-Hercegovina objected to him or to the results of his work.